

VA Regional Office  
701 Clay  
Waco, TX 76799

**Department of  
Veterans Affairs**

**LOAN GUARANTY  
BULLETIN**

October 30, 2000

#18 -00

TO: All Fee Compliance Inspectors

SUBJ: Instructions for Making Department of Veterans Affairs (VA)  
Compliance Inspections

1. The enclosed instruction package outlines VA practices and procedures for making compliance inspections. Please read this information carefully to assure that all construction meets the requirements of the plans and specifications and the minimum property requirements, 24 CFR 200.926d and e. Any construction involving poor workmanship or improper construction techniques which would impair the safety, sanitation, or structural soundness of a property would be reported as a noncompliance on the VA Form 26-1839, Compliance Inspection Report.
2. These instructions include changes to our program that occurred with the release of the Revised Lender Handbook in September 2000.
3. We depend heavily on the information contained in the compliance inspection report. It is imperative that these reports be accurate and display a professional approach to the inspection process.
4. The instruction manual includes the handout we provide to builders, so you will be aware of the information provided to them by VA.
5. If you have any questions, please contact us at 254-299-9634.
6. This rescinds LGB 5-00, dated February 15, 2000.

ANGELYN WILD  
Loan Guaranty Officer

Enclosure

## INDEX

I. Purpose of Inspections.....	1
II. VA Policies.....	1
III. Terminology and Forms.....	2
IV. The Inspection Process.....	2
V. Inspection Stages.....	3
VI. How to Complete the Inspection Report.....	5
VII. Change Orders.....	7
VIII. Counter-Signing Change Orders and Inspections.....	7
IX. Delayed Installation of Appliances and Floor Coverings.....	8
X. Reinspections.....	8
XI. Manufactured Homes.....	8
Foundation Requirements.....	10
Overview of VA Practices and Procedures.....	12
Contact with VA.....	13
Fees.....	14
Sample VA Form 26-1839, Compliance Inspection Report.....	Exhibit A
Sample VA Form 26-1844, Change Order.....	Exhibit B
Sample VA Form 26-1843, Certificate of Reasonable Value.....	Exhibit C
Sample VA Form 26-1805-1, Request for Determination of Reasonable Value.....	Exhibit D
VA Proposed Construction Checklist.....	Exhibit E
24 CFR 200.926d and 200.926e.....	Exhibit F
Builder Instructions for Processing VA Loans.....	Exhibit G

# **Compliance Inspector Instructions**

## **I. Purpose of Inspections**

To verify that all improvements are in accordance with:

- a. Plans and specifications.
- b. State, county, or local building codes enforced in the jurisdiction in which the property is located. In the absence of a state, county, or local building code enforced in the jurisdiction where the property is located, the VA Minimum Property Requirements (MPR's) shall be the applicable provisions of the current Council of American Building Officials (CABO) One and Two Family Dwelling Code. In those instances in which the CABO One and Two Family Dwelling Code applies, the mandatory codes or standards incorporated by reference and the requirements of 24 CFR 200.926e shall apply. In all proposed construction cases, VA will require compliance with 24 CFR 200.926d, Construction Requirements.
- c. Methods, practices, and kinds or uses of materials required, advocated, or approved in HUD bulletins relative to new materials and methods of construction.
- d. All requirements, standards, practices, etc. issued by HUD are applicable for VA purposes.
- e. Deviations from the above and/or additional requirements as may be released from the Waco VA Regional Office.

## **II. VA Policies**

- a. When you are approved as a VA inspector, you are individually approved. Associates who work with your company are not permitted to perform VA inspections for you.
- b. If you need to take time off, please notify VA so we can be aware of the need to substitute an inspector on your assigned cases. We will attempt to assure that another VA inspector can process cases in your absence.
- c. Lenders and builders associated with our program are notified that 48 hours notice is required for inspection appointments.
- d. Final inspections must be submitted on VA form 26-1839, compliance inspection report, with a minimum of two photographs showing full front and full rear from the opposite side. Contact our office to order additional forms.
- e. VA will assist you in the collection of delinquent fees. Provide us the VA case number and a description of the collection efforts you have made. If you repeatedly have collection problems with an individual, you should notify VA that you will require cash in advance on future inspections.

### **III. Terminology and Forms**

- a. LAP lender - A lender approved to underwrite credit and appraisals for VA.
- b. NOV (Notice of Value) - Form completed by a LAP lender showing the appraised value and conditions of the appraisal that must be satisfied before loan closing.
- c. CRV (Certificate of Reasonable Value) - Same as the NOV except the form is completed by VA because the lender is not approved to do LAP loans.
- d. VA Form 26-1839 - Compliance Inspection Report (Exhibit A)  
VA Form 26-1844 - Request for Acceptance of Changes in Approved Drawings and Specifications (Change Order Form) (Exhibit B)  
VA Form 26-6393 - Endorsement to CRV/NOV specifying changes processed by VA  
VA Form 26-1843 - Certificate of Reasonable Value (Exhibit C)  
VA Form 26-1805-1 - Request for Determination of Reasonable Value (Exhibit D)  
VA Proposed Construction Checklist for builders - Exhibit E  
Notice of Value - Exhibit F

### **IV. The Inspection Process**

- a. You will receive the construction exhibits from VA or from a LAP lender. On LAP requests, the exhibits will be sent as soon as the appraisal is ordered with a copy of the VA Form 26-1805-1, Request for Determination of Reasonable Value. After the appraisal has been completed, the LAP lender will mail you a copy of the Notice of Value (NOV) for the case. If VA processes the case, you will receive a Certificate of Reasonable Value (CRV) with the construction exhibits after the appraisal has been performed.
- b. On receipt of the construction exhibits, you should establish a file for the case and review the plans and specifications to assure there are sufficient exhibits for inspections (see attached proposed construction checklist for builders, exhibit E). If items required on the checklist are missing, the lender should be notified that you cannot complete an inspection without a complete set of construction exhibits.
- c. When an inspection is requested, you must inquire whether a full compliment of inspections are required, or only a final inspection. If it is a request for reinspection, you should assure that you know the items of noncompliance, and have change orders (VA Form 26-1844) or endorsements (VA Form 26-6363) pertinent to the inspection.
- d. On arrival at the job site with the plans and specifications furnished to you by VA or the lender, you must:
  - 1. Be able to identify the property by observance of the Property Identification Card (VA Form 26-1853), or other property identification, conspicuously displayed and readily visible from the street.

NOTE: Do not continue with inspection procedure unless absolutely certain of property identification.

2. Ensure that the VA Poster 26-83-1, "Equal Employment Opportunity is the Law" is displayed for each property or group of properties being constructed simultaneously. If the poster is not displayed at the time of the initial compliance inspection, you must show it as a C-Item on the Compliance Inspection Report (VA Form 26-1839).

3. Ensure that the VA Poster 26-77-1, "Equal Housing Opportunity" is displayed for each property or group of properties being constructed simultaneously. If the poster is not displayed at the time of the initial compliance inspection, you must show it as a C-Item on the Compliance Inspection Report (VA Form 26-1839).

4. If the inspection is an initial inspection of the property, you must ensure that the structure is located on the property per the stamped plot plan, i.e., facing left or right; front, rear, and side yard set backs; grade elevations; flatwork location; sidewalk and driveway within allowable slopes, etc. If Master Certificate of Reasonable Value (MCRV) was issued as a builder choice, the builder must furnish you a plot plan at inspection.

## V. Inspection Stages

### a. First Inspection (Foundation) Stage

1. ***Excavation complete and ready for footings and foundations*** usually applies in localities where it is advisable to have the bearing soil examined before construction proceeds, or ***foundation walls complete and ready for backfill*** usually applies where soil conditions are generally uniform and free of faults likely to cause foundation problems.

2. For the excavation complete alternative, you assure that:

- the site is properly identified.
- the nature of the bearing soil
- form work for footings or the condition and quality of the footing trench if forms are not required
- compliance with construction exhibits and VA Minimum Property Requirements
- the function dimensions are the same as shown on the plans, and that corners are squared. Position or lot (set backs) is same as shown on plot plans.

3. For the completion of foundation alternative, all of the items in 2 above will be observed and reported in addition to:

- the size, location, and condition of all footings, foundation walls, piers, and other supporting members
- the quality of materials and workmanship of masonry, damp proofing, and foundation drainage.

### b. Second Inspection (Framing) Stage

You should inspect:

- All construction below the superstructure not installed or which was installed but not inspected or reported upon at the first inspection stage, including footings, foundations, piers, columns, waterproofing, and drainage provisions

- construction of the superstructure, including quality of materials and workmanship, details of construction, and the suitability of arrangement of all items for subsequent installation of equipment and of interior and exterior finishing materials
- plan of the dwelling, including the arrangement of partitions and the sizes and placement of all openings
- roughing-in of mechanical work, including plumbing, heating and electric installations with respect to
  - providing for the correct installation of fixtures, equipment, and accessories
  - avoiding impairment of the strength of structural members, and
  - proper operation of the completed systems.

Note: No second stage inspection is required for modular construction since the unit is fabricated in a factory and must be inspected to state standards.

### c. Third Stage (Final) Inspection

1. You should inspect for acceptable completion of all specified onsite and offsite improvements in substantial compliance with the plans and specifications.
2. The table below lists the exterior and interior items to be inspected and reported upon during the final inspection stage.

#### ***Exterior Inspection:***

- |                               |   |  |
|-------------------------------|---|--|
| • compaction of fill material | • protection against the elements and penetration of moisture | • offsite improvements including               |
| • finish grading              |   | – utilities                                    |
| • drainage                    | • masonry pointing  | – storm sewer system                           |
| • utility connections         | • caulking at openings  | – drainage channels                            |
| • walks                       | • paint coverage  | – grading                                      |
| • drives                      | • flashing  | – curbs  |
| • accessory buildings         | • design of dwelling structure                                | – gutters                                      |
| • retaining walls             | • materials and details of their installation and finish      | – paving                                       |
| • planting                    |   | – pavement edging                              |
| • safety provisions at        |   | – subgrade, and                                |
| – terraces                    |   | – base and wearing surface and erosion control |
| – porches                     |   |  |
| – areaways                    |   |  |

#### ***Interior Inspection:***

- |   |  |   |
|---|--|---|
| • design  | • cabinets and millwork  | • quality and operation of hardware       |
| • materials, equipment, and details of their installation | • details and operation of systems, equipment, and fixtures related to | • quality of                              |
| • interior surfaces and their finish treatment            | – plumbing   | – tilework                                |
|   | – heating  | – glass                                   |
|   | – ventilating  | – linoleum                                |
|   | – electric   | – venting of attics and underfloor spaces |

Note: Quality of construction. Such shortcomings as scratches in painted surfaces, poorly fitted doors and windows, cracks in walls, defective materials or equipment, etc., must be reported fully.

### 3. Individual Water Supply and Sewage Disposal Systems

The inspector will include with the inspection report evidence obtained from the builder that installation is satisfactory to the health authority having jurisdiction.

## VI. How to Complete the Inspection Report Form (VA Form 26-1839)

All inspectors must utilize the compliance inspection report form (VA Form 26-1839) in the same manner. Following are instructions for filling out the report:

Case Number: Enter VA loan number (add item number if a Master CRV).

Property Identification: Enter property street address, lot and block number, and zip code.

Name and Address of Lender: Enter the lender's name and mailing address.

Name of Builder: Enter the builder's name and address.

### Section 1: INSPECTION OF ONSITE BUILDING IMPROVEMENTS

The stage of construction at which inspection is being made is indicated by use of the appropriate check box. Reinspection is checked in all cases when a previous report has indicated "Reinspection Required."

Under "Condition of Construction at this Inspection", the appropriate condition or conditions are checked in accordance with the following:

Condition "A": "No evidence of noncompliance observed" is checked if the work has progressed to the inspection state being reported upon and has been completed in accordance with plans, specifications, and minimum property requirements. When this condition is indicated, no further entries are made in Section 1 of the form.

Condition "B": "Substitutions or deviations" is reported where variations from plans and specifications and/or deviations from the applicable minimum property requirements are found to exist, regardless of whether or not costs are affected. The specific variations are listed in the blank lines provided and itemized by condition.

Condition "C": "Noncompliance, builder will comply without delay" is reported when unapproved variations from the approved certified plans and specifications are found and the builder is willing and able to satisfactorily correct or complete the work during the normal course of construction. List the noncompliance in the blank lines provided and itemized by condition (for example, "C-1 fix..."; "C-2 complete..."; "C-3 correct the...").

When noncompliance, Condition "C", has been checked at first or second inspection, the inspector indicates whether the items to be corrected or completed will be inspected at the next regular inspection or whether reinspection will be required. The check boxes at the bottom of Section 1 are used for this purpose. In these cases, reinspection is required when the work to be inspected will be concealed before the next regular inspection.

Condition "D": "Noncompliance, builder does not intend to comply" is reported when the builder indicates UNWILLINGNESS or INABILITY to correct or complete items of noncompliance.

Condition "E": "Dwelling habitable, but completion of certain improvements will be delayed by conditions beyond control" is reported only at third inspection or thereafter; e.g., when all building improvements are complete except concrete driveway, walk, and steps, which cannot be poured because of freezing weather. Leave boxes concerning lender's certification or inspection by VA compliance inspector blank. The VA Regional Office will mark the proper box.

## SECTION 2: INSPECTION OF OFFSITE IMPROVEMENTS

This section is completed when making the regular third inspection described in Section 1. Blank lines are provided for reporting inspection findings with respect to improvements such as walks, drives, streets, and utilities, specified for the subject property. As in Section 1, Conditions "A," "B," "C," "D," or "E" is checked and a description of the condition written in. Where incomplete or unsatisfactory work is reported, "Reinspection Required" is checked.

## SECTION 3: REINSPECTION OF WORK PREVIOUSLY INSPECTED

This section is used to report findings revealed by an additional inspection occasioned by the requirement for reinspection made on a previous report. Entries are made in the manner prescribed under Sections 1 and 2 above.

## SECTION 4: ESTIMATED COST OF INCOMPLETED ONSITE WORK

When Condition "E" has been checked under Section 1 or 3, the inspector enters an estimate of the cost of finishing the incomplete onsite work and the expected date of completion. The cost of any incomplete off-site work is not included. When the value of the postponed improvements is \$400 or less, and there are no other items of noncompliance, the compliance inspector is then authorized to final the report by checking box B of section 6 indicating "All improvements acceptably completed", and sign and distribute the report.

## SECTION 5: CERTIFICATION

All inspection reports (First, Second, Third, Special, or Reinspection) are completed insofar as the inspector is concerned by execution of the certification. It is to be noted that the certification is so worded that final acceptance and approval is not indicated at any stage. This affords the inspector or VA office the opportunity of reporting noncompliance which may have been overlooked at a previous inspection.



**SUBMISSION OF REPORT.** An unapproved copy of all reports is left at the job site for the convenience of the builder. One copy is retained by the inspector for his or her case file. The remaining three copies, with carbons intact, are forwarded directly to the VA office.

The final inspection will have the following statement, "All equipment, fixtures, and observable construction are in good condition, suitable, and ready for use."

All final inspection reports submitted to VA must include a minimum of two photographs (different views). A FULL front photograph showing the front and side of the subject property and a FULL rear photograph showing the opposite side will be required. Additional photographs may be submitted to document poor workmanship or improper construction techniques. Only one set of photographs will be required.

**You should mail the report to VA promptly after completion.**

If the Master CRV is a builder choice, you must submit a copy of the plot plan with your report. Also if it shows options, you must show no options or list the options used.

## **VII. Change Orders (VA Form 26-1844)**

- a. Who must sign a change order request?

If a veteran is under contract, the change order must be signed by the veteran. If the property is not under contract, the change order must be signed by the builder, lender, or sponsor making the request for modification, and they must certify that the property is not under contract.

- b. What form is acceptable for a change order request?

VA Form 26-1844 must be used to request a change to construction exhibits after the appraisal is done. There is one exception. If there is no veteran-purchaser involved and the change is limited to substitution of mechanical equipment of equal value, then you may check VA Form 26-1839, Section 1B, Substitutions or Deviations, describe the change of equipment and note the change on the related plans and specifications.

## **Counter-Signing Change Orders and Inspection**

- a. Change Orders. You are authorized to approve (countersign) and distribute a properly completed VA Form 26-1844, containing all required signatures, which does not involve deletions or a change in value. In these cases, the builder must complete VA Form 26-1844 in triplicate and have the form at the job site at the time of the scheduled inspection. The compliance inspector will review the change order to verify that no deletion of value change is requested and all parties (builder and veteran, if applicable) have signed the form. The inspector will inspect the property according to the plans, specifications and change order and sign the change order in the appropriate space. The builder will be given the original counter-signed change order, a copy will be retained by the inspector and the last copy will be forwarded to VA with the inspection report.

b. Inspection Reports. You are authorized to approve (countersign) and distribute compliance inspection reports of first and intermediate stages of construction which do not report any noncompliance, substitutions or deviations. Compliance inspectors are also authorized to approve and distribute final or third-stage inspection reports which do not report any noncompliance, substitutions or deviations, or which report only items that could be covered by a lender's certification of an escrow.

### **VIII. Delayed Installation of Appliances and Floor Covering**

With the exception of floor covering in bathrooms and wood finish flooring, installation of appliances and finished floor covering may be delayed until as late as just prior to loan closing, provided the final inspection report includes the following:

- In Section 1, a description of
  - all appliances and finish floor covering to be installed as identified in the specifications, for example, refrigerator brand and model, and
  - the living area(s) involved, if not obvious.
- In Section 6, check
  - “Prefinal Report Approved,” and
  - “Certification is required that lender’s inspection prior to loan closing reveals satisfactory installation of specified appliances and finish floor covering as described in Item 1 in the area(s) identified in Item 1.”

### **IX. Reinspections**

If an inspection has been requested and the work has not progressed to such a point that the required inspection can be completed, a report shall be prepared and distributed in the usual manner; however, the report shall indicate “Reinspection Required.”

If the work has progressed beyond the required inspection stage to such extent that significant items to be inspected have been concealed, the inspection will be deferred until the concealed work has been uncovered so as to permit satisfactory inspection.

### **X. Manufactured Homes**

#### **a. General Information.**

When the foundation for a manufactured home has **not** been fully completed and the unit has not been installed, the home is appraised as “proposed construction.”

In addition to the standard VA Minimum Property Requirements for proposed construction, the manufactured home unit must be properly attached to a permanent foundation system which is constructed to withstand both supporting loads and wind-overturning loads, and is acceptable to the building authority having jurisdiction.

The manufacturer's installation instructions (used to determine the permissible points of support for vertical loads and points of attachment for the anchorage system used to resist horizontal and uplift forces) is an additional reference guide.

b. Construction Exhibits for Proposed Construction

- Specifications for the foundation and a plot plan as required for conventional site-built homes
- in double-wide homes, a detail of the mating line piers, if applicable
- floor plan of the unit and exterior elevation drawings/photographs of the front and rear of the home, unless the unit is physically located on the site to be appraised or the appraiser has access to the unit on the dealer's lot
- in localities that require the underside of the unit to be completely enclosed, details of the perimeter enclosure that comply with those requirements
- any revisions needed to information provided in the manufacturer's technical installation manual in order to comply with local requirements
- construction exhibits for any other on-site improvements, such as decks, enclosed patios, garages and carports, etc. to be financed with the loan proceeds.

c. Foundations

Please refer to the tables that follow listing each foundation component and any related requirements for proposed construction cases.

## Foundation Requirements

The following table lists each foundation component and any related requirements for “proposed or under construction” cases.

Foundation Component	Requirement
<b>Piers and Footings</b>	<p>The load-bearing piers and footings must</p> <ul style="list-style-type: none"> <li>• be of sufficient size and number to distribute the weight of the manufactured home evenly</li> <li>• be of materials acceptable to the building authority having jurisdiction, and</li> <li>• (where applicable) have footings which extend below the frost line.</li> </ul>
<b>Concrete Slabs or Continuous Footings</b>	<p>Concrete slabs or continuous footings are acceptable in areas where their use is permitted by local building authorities. Steel anchorage devices must be cast into the concrete slab or footing and be capable of providing holding strength to resist horizontal and uplift forces.</p>
<b>Anchoring Devices</b>	<p>Anchoring devices, adequate to resist all loads, must</p> <ul style="list-style-type: none"> <li>• be attached to the main frame of the unit by a bolted, welded, or mechanical connector</li> <li>• be placed at every supporting pier or as specified by the manufacturer, and</li> <li>• extend into the pier footing.</li> </ul> <p>Anchoring straps or cables affixed to ground anchors, other than pier footings, will <b>not</b> meet this requirement.</p>
<b>Hurricane Ties</b>	<p>Properties located in Wind Zone II or III (wind speeds in excess of 80 mph) must be provided with diagonal hurricane ties which have been properly engineered for the location, and comply with the requirements of the building authority having jurisdiction.</p> <p><b>Important:</b> The installation procedures included in both the manufacturer's foundation instructions and <i>NCS BCS Handbook A225.1</i> are <b>not</b> generally adequate for manufactured homes in these areas.</p>

Foundation Component	Requirement
<b>Flexible Connections for Seismic Activity</b>	<p>Properties located in areas of high seismic activity require special foundation designs to compensate for the effects of ground movement and to provide flexible connections between the foundation system and the manufactured home and all utility connections.</p> <p>Building authorities in these areas should be consulted for acceptable design features and special code requirements.</p>
<b>Permanent Perimeter Enclosure</b>	<p>A permanent perimeter enclosure (not “skirting”) with a continuous foundation-type footing will be required only when specifically required by the local building authority. When required, it must be</p> <ul style="list-style-type: none"> <li>• designed to resist all forces which cause frost heave, soil settlement, or the shrinking or swelling of expansive soils without transmitting the movement or effects to the manufactured home, and</li> <li>• properly secured to the perimeter of the manufactured home to exclude entry of vermin and water, and provide ventilation and a means of access to the crawl space.</li> </ul>
<b>Moisture and Humidity Reduction</b>	<p>The reduction of moisture and humidity in an enclosed under floor space is required. Except in arid regions with dry soil conditions, a continuous moisture barrier that covers the natural or excavated ground surface within the perimeter enclosure of the home must be installed.</p> <p>Provisions should also be made to prevent water from entering the crawl space and for the control and diversion of surface water away from the manufactured home.</p>

d. Inspections

For units processed as proposed construction, first and final inspections are required. (If covered by a 10-year insured warranty program, only a final inspection is required.)

## **Overview of VA Practices and Procedures**

The Construction and Valuation Section (262) issues Certificates of Reasonable Value (CRVs), VA Form 26-1843, and attachments to notify the lenders, veterans, builders, and inspectors of the value and requirements for closing each individual property. LAPP approved lenders issue a Lender's Notice of Value (NOV). Each individual property is assigned a VA case number. The properties are submitted to us under two programs, existing and proposed.

### Existing Construction:

The existing program includes homes over one year old and new homes covered by a HUD approved 10-year warranty or a 1-year VA builder warranty. These homes are not inspected by VA compliance inspectors.

### Proposed Construction:

The proposed program includes new construction. An approved builder must submit certified plans and specifications to VA or a LAPP lender. After review a CRV/NOV is issued.

Each inspection will be scheduled by the builder or lender. Prior to inspection, you must receive the plans and specifications with VA Form 26-1805-1 for cases processed by the lender as LAPP, or a CRV with the plans and specifications for cases processed by VA. You should not make an inspection based on plans and specifications supplied directly by the lender or left at the job site, as these may not have been reviewed for acceptability. They also may be different from the plans used by the appraiser.

When the appraisal is requested, the builder submits 2 sets of plans and specifications to the lender to allow a review for acceptability and to assure all documentation on the proposed construction checklist are included. If the lender is processing under LAP, one set of plans and specifications is sent to the appraiser and one set to the inspector with copy of the VA Form 26-1805-1, Request for Determination of Reasonable Value. On cases processed by VA, both sets are provided to the appraiser who returns them to VA with the completed appraisal. After the appraisal is reviewed and a CRV issued, a copy of the CRV is sent to the inspector and a copy retained in the VA file.

If the property is covered by a HUD approved 10-year insurance warranty, only a final inspection will be required. Otherwise, three full inspections are required. In areas where HUD has approved local inspections, the local inspectors may be used for the 1<sup>st</sup> and 2<sup>nd</sup> stage inspections. The final inspection must be performed by a VA inspector.

We also issue a Master Certificate of Reasonable Value (MCRV). This is a group of more than five homes. The MCRV is issued like an individual CRV except it is on VA Form 26-1843a. It is assigned a case number preceded by CA. When you do an inspection on a property from a MCRV, you must show the CA number and the item number shown on the back of the MCRV for the individual property. The MCRV's are issued two different ways. One way is SET LOTS, where the builder pre-plans the whole master. The other is BUILDER CHOICE, where the builder lists the properties but the purchaser selects the plans on the lots. The inspector on BUILDER CHOICE MCRV is responsible for obtaining a plot plan of the lot when he makes his first inspection. Also he/she must note the plan number on the final inspection. No matter which type of MCRV, if the MCRV has any options, you must list the options used on the final report.

A builder who must have a full set of inspections can request an inspector to be assigned to a property prior to ordering the appraisal. **YOU MUST HAVE THEIR REQUEST FOR AN EARLY START AND OUR SIGNATURE SHOWING YOU AS THE INSPECTOR BEFORE YOU CAN MAKE THE INSPECTION.**

## CONTACT WITH DEPARTMENT OF VETERANS AFFAIRS

Below is a list of direct telephone numbers for VA staff appraisers and the areas supervised by each. Please contact any of us if you need assistance.

<u>Staff Appraiser</u>	<u>E-Mail</u>	<u>Telephone</u>	<u>Area</u>
Jim Cox	lgyjcox@vba.va.gov	(254) 299-9629	El Paso/Killeen Lubbock/Amarillo
Steve Gregory	lgysgreg@vba.va.gov	(254) 299-9637	Collin/Denton/ Wichita Falls/Abilene
Jerry Higginbotham	lgyjhigg2@vba.va.gov	(254) 299-9631	Specially Adapted Housing
John Langford	lgyjlang@vba.va.gov	(254) 299-9627	East Texas/Bryan/ Austin
Dennis Nutt	lgydnutt@vba.va.gov	(254) 299-9628	Dallas/Midland/ Odessa/Coryell Co
Lita Petrich	lgyapetr@vba.va.gov	(254) 299-9626	Fort Worth/Killeen
Donna Salinas	lgydsali@vba.va.gov	(254) 299-9655	Waco/Bell Co
Diane Rogers, Chief Appraiser	lgydroge@vba.va.gov	(254) 299-9603	
Pat Harrelson, Program Clerk	lgypharr@vba.va.gov	(254) 299-9634	
Terry Cantu, Program Clerk	lgytcant@vba.va.gov	(254) 299-9641	

Liquidation Appraisals. Borrowers in default who wish to contact the Loan Service and Claims Section should telephone (254) 299-9641 or toll-free at 1-800-827-1000.

The published telephone number for the Construction and Valuation Section is (254) 299-9634. E-mail inquiries for Construction and Valuation may be sent to **wacrocv@vba.va.gov**.

The telephone number for facsimile transmission is (254) 299-9663 or 299-9611.

## APPRAISAL AND INSPECTION FEES

1. Effective January 19, 2000, appraisal and inspection fees as indicated below are approved for areas under the jurisdiction of the Waco Regional Office.

2. Individual Appraisals:

a. Existing origination properties	\$325
b. Proposed origination properties	\$350
c. Liquidation appraisals	\$325
d. Condominium Units	\$375
e. Multi-Family:	
Two-Family	\$375
Three-Family	\$425
Four-Family	\$475
f. Miscellaneous appraisals for partial release and other fee established by unique, complex, large acreage, or estate-type VA upon request property.	

3. Committee Appraisals (MCRV):

a. The fee is computed for each submission on the following basis:	
Each basic plan type (proposed)	\$350
Each lot/unit	\$ 10
b. Minimum fee	\$500

4. Used Manufactured Homes or Sites:

Single-wide units	\$145
Double-wide units	\$145
Manufactured home site	\$150

5. Compliance/Repair inspection fee

\$ 65

6. Mileage: No charge for mileage will be added to the above appraisal unless specifically authorized by the Chief of Construction and Valuation Section. Mileage charge may not exceed 31.5 cents a mile when permissible.





NOTE TO BUILDER — Unapproved report left at site for builder's convenience is subject to change. Consult lending institution for OFFICIAL REPORT.

PROPERTY IDENTIFICATION (Include lot and block)

NAME AND ADDRESS OF LENDER (Complete mailing address including ZIP Code)

NAME OF BUILDER

NOTE — The VA case number and other identification (address, lot and block number) assigned to the property shall be posted on the site and be so located that the notice can be read from the street. Inability to identify the property may prevent inspection.

RESPONDENT BURDEN: Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the VA Clearance Officer (723), 810 Vermont Ave., NW, Washington, DC 20420; and to the Office of Management and Budget, Paperwork Reduction Project (2900-0041), Washington, DC 20593. Do NOT send requests for benefits to these addresses.

PRIVACY ACT INFORMATION — This report is authorized by law (38 U.S.C. 3704(a) and 3712 (formerly 1804(a) and 1812)). Failure to provide information requested can result in rejection of the property as security for a VA loan. Responses may be disclosed outside VA only if the disclosure is authorized under the Privacy Act, including the routine uses identified in the VA system of records, 55VA26, Loan Guaranty Home, Condominium and Manufactured Home Loan Applicant Records, Specially Adapted Housing Applicant Records, and Vendee Loan Applicant Records — VA, published in the Federal Register.

1. INSPECTION OF ONSITE BUILDING IMPROVEMENTS WAS MADE AT INSPECTION STAGE CHECKED BELOW

FIRST



☐ EXCAVATION COMPLETE AND READY FOR FOOTINGS AND FOUNDATIONS

☐ FOUNDATION WALLS COMPLETE AND READY FOR BACKFILL

SECOND



☐ BUILDINGS ENCLOSED, STRUCTURAL MEMBERS STILL EXPOSED AND ROUGHING-IN FOR HEATING, PLUMBING, AND ELECTRICAL WORK IN PLACE AND VISIBLE (Individual water supply or sewage disposal system complete and ready for backfill is included in this stage)

THIRD



☐ ALL DWELLING CONSTRUCTION, INSTALLATION OF EQUIPMENT, UTILITY CONNECTIONS, AND ANY SPECIFIED ACCESSORY BUILDING GRADING, DRAINAGE PROVISIONS, LANDSCAPING, WALKS, DRIVES, STEPS, OR RETAINING WALLS REPORTED BY THIS BUILDER AS COMPLETE IN ACCORDANCE WITH THE CONDITIONS OF THE CERTIFICATE OF REASONABLE VALUE

REINSPECTIONS



☐

SPECIAL



☐

CONDITION OF CONSTRUCTION AT THIS INSPECTION

☐ A. NO EVIDENCE OF NONCOMPLIANCE OBSERVED

☐ C. NONCOMPLIANCE - BUILDER WILL COMPLY WITHOUT DELAY

☐ E. DWELLING HABITABLE, BUT COMPLETION OF CERTAIN IMPROVEMENTS WILL BE DELAYED BY CONDITIONS BEYOND CONTROL. IF LENDER DESIRES EVIDENCE OF GUARANTY BEFORE COMPLETION OF THESE ITEMS, VA FORM 26-1847 MUST BE SUBMITTED (Check appropriate box)

☐ B. SUBSTITUTIONS OR DEVIATIONS

☐ D. NONCOMPLIANCE - BUILDER DOES NOT INTEND TO COMPLY

☐ LENDER'S CERTIFICATION OF COMPLETION ACCEPTABLE

☐ INSPECTION BY VA COMPLIANCE INSPECTOR REQUIRED

ITEMIZED AND DESCRIBED AS FOLLOWS:

☐ ABOVE ITEMS WILL BE INSPECTED AT NEXT REGULAR INSPECTION

☐ REINSPECTION REQUIRED

COMPLETE THIS ITEM WHEN MAKING THIRD INSPECTION

2. INSPECTION OF OFFSITE IMPROVEMENTS

REVEALED CONDITION

☐ A.

☐ B.

☐ C.

☐ D.

☐ E.

AS DEFINED IN ITEM 1. AND

DESCRIBED AS FOLLOWS:

☐ REINSPECTION REQUIRED

3. REINSPECTION OF WORK PREVIOUSLY INSPECTED AT

☐ FIRST

☐ SECOND

☐ THIRD

☐ SPECIAL INSPECTION

REVEALED CONDITION

☐ A.

☐ B.

☐ C.

☐ D.

☐ E.

AS DEFINED IN ITEM 1, AND DESCRIBED AS FOLLOWS:

EXHIBIT A

4. ESTIMATED COST OF INCOMPLETED ONSITE WORK AS REPORTED AT THIRD

ESTIMATED COST

PROBABLE DATE OF COMPLETION

## INSTRUCTIONS TO COMPLIANCE INSPECTOR

When making a compliance inspection the inspector must have at hand reports of any previous inspections, approved plans and specifications, and a statement of any specific offsite requirements for the property to be inspected. Other required references include HUD regulation in 24 CFR 200.926d. The inspector makes a careful examination of all improvements to ascertain whether or not the work is at the stage of completion required for the inspection being made, whether or not items of noncompliance listed on a previous report have been corrected, and whether or not there have been any other variations from plans, specifications or VA Minimum Property Requirements. If an inspection has been requested and the work has not progressed to such a point that the required inspection can be completed, a report shall be prepared and distributed in the usual manner; however, the report shall indicate "Reinspection Required." If the work has progressed beyond the required inspection stage to such an extent that significant items to be inspected have been concealed, the inspection will be deferred until the concealed work has been uncovered so as to permit satisfactory inspection. The Compliance Inspection Report, VA Form 26-1839, is completed as follows:

**HEADING.** The following entries are made: Property street address or lot and block number, builder's name and address and lender's name and address. The case number and veteran's name and address are also entered if provided.

**ITEM 1.** The stage of construction at which inspection is being made is indicated by use of the appropriate check box. First inspection is made at one of two alternative stages which ever has been designated for the subject locality by the VA regional office. "Special" inspection is checked in the case of alterations, repairs or additions to existing construction, and the inspector enters a brief description of the stage of construction in the blank lines provided. Reinspection is checked in all cases wherein a previous report has indicated "Reinspection Required."

Under "Condition of Construction at this Inspection," the appropriate condition or conditions are checked in accordance with the following:

**Condition "A."** (No evidence of noncompliance observed) is checked if the work has progressed to the inspection stage being reported upon and has been completed in accordance with plans, specifications and Minimum Property Requirements. When this condition is indicated, no further entries are made in Item 1 of the form.

If variations are observed, condition "B," "C," "D" or "E," or a combination thereof is checked as appropriate. In these instances the specific variations are listed in the blank lines provided and itemized by use of the letters "B," "C," "D" or "E," as they may

**Condition "D."** (Noncompliance, builder does not intend to comply) is reported when the builder indicates unwillingness or inability to correct or complete items of noncompliance.

**Condition "E."** (Dwelling habitable, but completion of certain improvements will be delayed by conditions beyond control) is reported only at third inspection or thereafter; e.g., when all building improvements are complete except a concrete driveway, walk and steps, which cannot be poured because of freezing weather. The regional office will determine if lender's certification is acceptable or inspection by VA compliance inspector is required.

When noncompliance, condition "C," has been checked at first or second inspection, the inspector indicates whether the item to be corrected or completed will be inspected at the next regular inspection or whether reinspection will be required. The check boxes at the bottom of Item 1 are used for this purpose. In these cases reinspection is required when the work to be inspected will be concealed before the next regular inspection. When noncompliance or incomplete work, condition "C" or "E," is reported at third inspection "Reinspection Required" is checked in all cases.

**ITEM 2.** This item is completed when making the regular third inspection described in Item 1. Blank lines are provided for reporting inspection findings with respect to offsite improvements such as walks, drives, streets and utilities, specified for the subject property. As in Item 1, condition "A," "B," "C," "D" or "E" is checked and a description of the condition written in. Where incomplete or unsatisfactory work is reported "Reinspection Required" is checked.

**ITEM 3.** This item is used for reporting findings revealed by an additional inspection occasioned by the requirement for Reinspection made on a previous report. Entries are made in the manner prescribed under Items 1 and 2 above.

**ITEM 4.** When condition "E" has been checked under Items 1 or 3, the inspector enters an estimate of the cost of finishing the incomplete onsite work and the expected date of completion. The cost of any incomplete offsite work is not included.

**ITEM 5.** All inspection reports (First, Second, Third, Special or Reinspection) are completed insofar as the inspector is concerned by execution of the certification. It is to be noted that the certification is so worded that final acceptance and approval is not indicated at any stage. This affords the inspector or regional office construction analyst the opportunity of reporting noncompliance which may have been overlooked at a previous inspection.

# Request for Acceptance of Changes in Approved Drawings and Specifications

U.S. Department of  
and Urban Development  
Assistant Secretary for Housing-  
Federal Housing Commissioner



See reverse side of this sheet for Instructions and Conditions

OMB Approval No. 2502-0117 (exp. 5-31-89)

Property Address	Case(s) No.	Request No.
Mortgagee's Name and Address	We request acceptance of the following changes in the approved drawings and specifications of the above numbered case or cases. <input type="checkbox"/> We do <input type="checkbox"/> Do not request an increase in the value and loan amounts if these changes warrant such an increase	
Description:	Builder's Estimate of cost on each change	HUD/VA Estimate of effect on cost of each change
Mortgagor	Date	
Builder or Sponsor	Date	
For Mortgagee	Date	

## Determination as to Acceptability

☐ Changes Acceptable
 ☐ Changes Unacceptable
 ☐ Changes Acceptable, provided:

EXHIBIT B

## Endorsement to Certificate of Reasonable Value (For VA use only)

This endorsement takes precedence over and specifically amends the outstanding CRV for the property with the above identifying number. Any condition stated on the outstanding CRV, not specifically referred to and modified herein, remains in full force and effect until expiration of the validity period. Established reasonable value revised to \$

<input type="checkbox"/> Administrator of Veterans' Affairs <input type="checkbox"/> Federal Housing Commissioner	Authorized Agent	Date
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### Instructions

The mortgagor in this request is defined as the owner or possible future owner of the property, whose interest in the property is evidenced by any written contract of sale, deed, receipt of down payment, letter or other instrument dated prior to the signing of this request by the builder or sponsor.

If acceptance by the VA is requested, original and at least two copies of this form shall be submitted by the mortgagee. If acceptable by HUD is requested, original and at least one copy of this form shall be submitted by the mortgagee. Upon determination as to acceptability of the request, the original will be returned to the mortgagee for transmittal to the builder or sponsor for attachment to the site set of drawings and Description of Materials (*Form HUD-92005, VA Form 26-1852*). If request covers more than one case and mortgagors are unknown, submit one additional copy for each additional case.

Designate each requested change by a letter (*using a, b, c, etc.*). If additional space is necessary to properly describe the changes, use this side of the form or an attachment. Also, attach revised drawings and/or supporting descriptive data when necessary. State the amount by which the construction cost will be increased or decreased as the net result of each proposed change.

This request shall be signed by (1) the mortgagor, if any, (2) the builder or sponsor, and (3) the mortgagee. If the mortgagor, as defined above, is unknown, the builder or sponsor shall insert "Unknown" in the space for the mortgagor's signature and initial this insertion. If there is no builder or sponsor, insert the word "None" in the signature space.

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### Conditions of Acceptance

Acceptance of changes implies in no way that the mortgage insurance or certificate of reasonable value of the above case or cases will be increased when the net effect of all accepted changes is an increase in the total construction cost. Acceptance of changes is subject to the condition that inspection will show that all construction involved equals or exceeds the applicable HUD or VA Minimum Property Standards.

In accepting any changes it is assumed that they will be executed. If an accepted change is not executed, it must be nullified by substituting a Request for Acceptance of Changes amending the drawings and specifications so as to restore the drawings and specifications to the status existing prior to acceptance of the change or to a modification of such prior existing status as may be specified.



Department of Veterans Affairs

## CERTIFICATE OF REASONABLE VALUE

1. CASE NUMBER

49-49-6-0895584

## 2. PROPERTY ADDRESS (Include ZIP code and county)

2813 BIRMINGHAM DRIVE  
GRAND PRAIRIE TX 75052

## 3. LEGAL DESCRIPTION

LOT 1, BLK E, BEACON HILL  
ADDITION, PHASE 2  
TARRANT COUNTY

## 4. TITLE LIMITATIONS AND RESTRICTIVE COVENANTS:

☐ CONDOMINIUM☒ PLANNED UNIT  
DEVELOPMENT

## 5. NAME AND ADDRESS OF FIRM OR PERSON MAKING REQUEST (Include ZIP code)

COUNTRYWIDE HOME LOANS INC  
2305 WEST PARK ROW STE A  
PANTEGO TX 760136. REMAINING ECONOMIC LIFE OF PROPERTY IS ESTIMATED TO BE NOT  
LESS THAN (Enter number of years)

60 YEARS

7. ESTIMATED REASONABLE  
VALUE OF PROPERTY

\$ 190,000

## 8. EXPIRATION DATE

04/25/2001

## 9. SECRETARY OF VETERANS AFFAIRS BY (Signature of authorized agent)

004

LOAN GUARANTY OFFICER

## 10. DATE ISSUED

04/25/2000

## 11. VA OFFICE

Waco, Texas

## GENERAL CONDITIONS

(NOTE: THE DEPARTMENT OF VETERANS AFFAIRS DOES NOT ASSUME ANY RESPONSIBILITY FOR THE CONDITION OF THE PROPERTY. THE CORRECTION OF ANY DEFECTS NOW EXISTING OR THAT MAY DEVELOP WILL BE THE RESPONSIBILITY OF THE PURCHASER.)

1. This certificate will remain effective as to any written contract of sale entered into by an eligible veteran within the validity period indicated.
2. This dwelling conforms with the Minimum Property Requirements prescribed by the Secretary of Veterans Affairs.
3. The aggregate of any loan secured by this property plus the amount of any assessment consequent on any special improvements as to which a lien or right to a lien shall exist against the property, except as provided in Item 13 below, may not exceed the reasonable value in Item 7 above.
4. Proposed construction shall be completed in accordance with the plans and specifications identified below, relating to both onsite and offsite improvements upon which this valuation is based and shall otherwise conform fully to the VA Minimum Property Requirements. Satisfactory completion must be evidenced by either
  - A. VA Final Compliance Inspection Report (VA Form 26-1839), or
  - B. VA Acceptance of FHA Compliance Inspection Reports or other evidence of completion under FHA supervision applicable to proposed construction.
5. By contracting to sell property, as proposed construction or existing construction not previously occupied, to a veteran purchaser who is to be assisted in the purchase by a loan made, guaranteed, or insured by VA, the builder or other seller agrees to place any downpayment received by the seller or agent of the seller in a special trust account as required by section 3706 of title 38, U.S. Code.
6. The VA guaranty is subject to and conditioned upon the lending institution's compliance, at the time of the making, increasing, extending or renewing of the proposed loan, with section 102 of P.L. 93-234, "Flood Disaster Protection Act of 1973."

## 12. PURCHASER'S NAME AND ADDRESS (Complete mailing address. Include ZIP code)

KURT A. PHIPPEN  
1506 W. PIONEER PKWY #208  
ARLINGTON TX 76017

## 13. EXCEPTIONS TO GENERAL CONDITION NUMBER 3 ABOVE

☐ ENERGY EFFICIENT MORTGAGE PROGRAM - The buyer may wish to contact a qualified person/firm for a home energy audit to identify needed energy efficiency improvements to the property. In some localities, the utility company may perform this service. The mortgage amount may be increased as a result of making energy efficiency improvements such as: Solar or conventional heating/cooling systems, water heaters, insulation, weather-stripping/caulking, and storm windows/doors. Other energy related improvements may also be considered. The mortgage may be increased by (a) up to \$3,000 based solely on documented costs; or, (b) up to \$6,000 provided the increase in monthly mortgage payment does not exceed the likely reduction in monthly utility costs; or, (c) more than \$6,000 subject to a value determination by VA.

☐ OTHER (Cite and explain in Item 26 below)

## SPECIFIC CONDITIONS (Applicable when checked or completed)

## 14. THE REASONABLE VALUE ESTABLISHED HEREIN FOR THE RELATED PROPERTY IS

☐ BASED UPON OBSERVATION OF  
THE PROPERTY IN ITS "AS IS" CONDITION☒ PREDICATED UPON COMPLETION  
OF PROPOSED CONSTRUCTION  
(If checked, complete Item 15)☐ PREDICATED UPON COMPLETION  
OF REPAIRS LISTED IN ITEM 17

## 15. PROPOSED CONSTRUCTION TO BE COMPLETED (Identify plans, specifications and exhibits)

PLAN #2718-RF ALEXANDER  
VA DATED 4/25/2000

## 16. INSPECTIONS REQUIRED

☐ FHA COMPLIANCE INSPECTIONS FOR PROPOSED CONSTRUCTION☐ VA COMPLIANCE INSPECTIONS☐ LENDER TO CERTIFY

## 18. NAME OF COMPLIANCE INSPECTOR

GILBERT RODRIGUEZ

## 17. REPAIRS TO BE COMPLETED

## 19. HEALTH AUTHORITY APPROVAL - Execution of Health Authority form or letter indicating approval of the individual:

☐ WATER SUPPLY☐ SEWAGE DISPOSAL SYSTEM

## 20.

This document is subject to the provisions of Executive Orders 11248 and 11375, and the Rules and Regulations of the Secretary of Labor in effect on this date, and 38 CFR 36.4390 through 36.4393, and also the provisions of the certification executed by the builder, sponsor or developer named herein which is on file in this office.

21. ☐ WOOD DESTROYING INSECT INFORMATION - EXISTING CONSTRUCTION - The seller shall, at no cost to the veteran-purchaser, prior to settlement, obtain a written statement from a qualified pest control operator reporting wood destroying insect information using VA Form 26-8850 or other form acceptable to VA. The veteran-purchaser will acknowledge receipt of a copy of the statement in Item 14 of VA Form 26-8850 or other form acceptable to VA. PROPOSED CONSTRUCTION - VA Form 26-8375, Termite Soil Treatment Guarantee, is required.

## 22. WARRANTY

☒ If checked,  
complete Item 23)

## 23. NAME OF WARRANTOR

RYLAND HOMES INC

## 24.

☐ Since this property is located in a Special Flood Hazard Area as established by FEMA, flood insurance will be required in accordance with 38 CFR 36.4326.

## 25. SAFE DRINKING WATER ACT

☒ Certification required that in construction, any solders and flux did not contain more than 0.2 percent lead and any pipes and pipe fittings did not contain more than 8.0 percent lead.

## 26. OTHER REQUIREMENTS

Only a final VA compliance inspection is required.

EXHIBIT C

VA Assignment System

Page 1 of 2

RESPONDENT BURDEN: VA may not conduct or sponsor, and respondent is not required to respond to this collection of information unless it displays a valid OMB Control Number. Public reporting burden for this collection of information is estimated to average 18 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have comments regarding this burden estimate or any other aspect of this collection of information, call 1-800-827-1000 for making information on where to send your comments.

OMB Approved No.:  
2500-0046  
Respondent Burden:  
12 minutes

<b>Department of Veterans Affairs</b>		<b>VA REQUEST FOR DETERMINATION OF REASONABLE VALUE (Real Estate)</b>		1. Case Number: <b>49-49-6-0897383</b>
2. Property Address (Include ZIP Code and County) <b>5720 WESTCLIFF CR AMARILLO, TX 79124 POTTER County</b>		3. Legal Description <b>LOT 15E, BLK 22, WESTCLIFF PARK ADDN # 4</b>		4. Title Limits & Restrictive Covenants
5. Name and Address of Firm or Person Making Request/Application (Include ZIP Code) <b>AMARILLO NATIONAL BANK P O BOX 1 PLAZA 1 AMARILLO, TX 79105-0001</b>		6. Lot Dimensions: x 1, Irregular/Square Feet: <b>8</b> Acres:		
		7. Utilities:		
		8. Equip.:		
9. Building Status Existing	10. Building Type: <b>DETACHED</b>	12A. No. of Bldgs:	12B. Street Access:	
	11. Factory Fabricated?	12B. No. of Living Units: <b>1</b>	12B. Street Maint.:	
14A. Construction Warranty Included? <b>NO</b>		14B. Name of Warranty Program:		15. Constr. Completed:
16C. Expiration Date:		17. Property:		
18. Name of Owner:		20. Telephone No.:		
19. Name of Occupant:		22. Telephone No.:		
21. Name of Broker:		24. Key Ac:		
25. Date and Time Available for Inspection:		26. Sponsor's Ident. No.:		27. Institution's Case No.:
28. Originator's Ident. No.: <b>8800850000</b>		<b>EQUAL OPPORTUNITY IN HOUSING</b>		
28. Purchaser's Name and Address <b>EDMUND C FORD 2891 BRENNAN BLVD AMARILLO, TX 79121</b>		NOTE: Federal laws and regulations prohibit discrimination because of race, color, religion, sex, or national origin in the sale or rental of residential property. Numerous State statutes and local ordinances also prohibit such discrimination. In addition, section 805 of the Civil Rights Act of 1968 prohibits discriminatory practices in connection with the financing of housing. If VA finds there is non-compliance with any antidiscrimination laws or regulations, it may discontinue business with the violator.		
<b>29. NEW OR PROPOSED CONSTRUCTION</b> (Complete items 29A through 29G for new or proposed construction cases only.)				
29A. Compliance Inspections Will Be or Were Made By: <b>NA</b>		29B. Plans		29C. Plans Previously Submitted Under Case No.
29D. Name and Address of Builder		29F. Name and Address of Warrentor		
29E. Telephone No.:		29G. Telephone No.:		
30. Comments on Special Assessments or Home Owner's Association Charges:				35. Leasehold Cases A. Lease Is: B. Expires: C. Annual Ground Rent:
31. Annual Real Estate Taxes	32. Mineral Rights Reserved?			
34. Sale Price of Property	34A. Is Buyer Purchasing Lot Separately?	36. Refinancing Amount of Proposed Loan:	38. Proposed Sale Contract Attached?	
<b>CERTIFICATIONS FOR SUBMISSIONS TO VA</b>				
On receipt of "Certificate of Reasonable Value" or advice from the Department of Veterans Affairs that a "Certificate of Reasonable Value" will not be issued, we agree to forward to the sponsor the approved fee which we are holding for this purpose.				
<b>CERTIFICATION REQUIRED ON CONSTRUCTION UNDER FHA SUPERVISION</b>				
I hereby certify that plans and specifications and related actions including acceptable FHA Change Orders, if any, supplied to VA in this case are identical to those submitted to / to be submitted to / approved by FHA, and that FHA inspections have been / will be made pursuant to FHA approval for mortgage insurance on this basis of proposed construction under SEC.				
39. Signature of Person Authorizing This Request: <b>CHRIS RICHARDSON</b>		39. Title: <b>LOAN COORDINATOR</b>		41. Date: <b>05/24/2000</b>
42. Date of Assignment: <b>05/24/2000</b>		43. Name of Appraiser: <b>(0855) W. DWIGHT TURNER</b>		
WARNING: Section 1010 of title 18, U.S.C. provides "Whoever for the purpose of ... including such Administration ... makes, passes, utters or publishes any statement knowing the same to be false ... shall be fined not more than \$5,000 or imprisoned not more than two years or both."				

VA FORM  
APR 1999 **28-1805-1**

[http://vaas.vba.va.gov/prod/requester/a\\_single\\_1805.cfm](http://vaas.vba.va.gov/prod/requester/a_single_1805.cfm)

5/24/2000

# VA PROPOSED CONSTRUCTION CHECKLIST

**TWO COMPLETE SETS** OF PROPOSED CONSTRUCTION EXHIBITS MUST INCLUDE:

1. **SPECIFICATIONS (DESCRIPTION OF MATERIALS):**
  - A. ON VA FORM 26-1852 OR SIMILAR FORMAT
  - B. SIGNED AND DATED BY BUILDER IN ALL CASES AND BY VETERAN IF UNDER CONTRACT
2. **PLOT PLAN** SHOWING ALL IMPROVEMENTS INCLUDING LOCATION OF THE WELL/SEPTIC SYSTEMS, IF APPLICABLE
3. **ALL EXTERIOR BUILDING ELEVATIONS**
4. **FOUNDATION OR BASEMENT PLAN**
5. **PLAN OF ALL FLOORS**
6. **SECTIONAL WALL DETAIL**
7. **PLAN CERTIFICATION:** VA WILL ACCEPT COMPLETED **HUD FORM 92541** IN LIEU OF BUILDER CERTIFICATION OF PLANS.

IF HUD FORM 92541 IS NOT INCLUDED, THE PLANS MUST BE CERTIFIED AS FOLLOWS BY A TECHNICALLY QUALIFIED AND PROPERLY IDENTIFIED INDIVIDUAL (SUCH AS BUILDER, ARCHITECT, ENGINEER, ETC.):

“I certify that the construction exhibits for (identification of the property by house type, lot, block, subdivision name, etc.) meet all local code requirements and are in substantial conformity with VA Minimum Property Requirements, including the energy conservation standards of the 1992 Council of American Building Officials’ Model Energy Code and the requirement for lead-free water piping.”

8. **BUILDER APPROVAL:** BUILDER MUST HAVE APPROVED VA IDENTIFICATION NUMBER
9. **REDUCED-SIZE EXHIBITS REQUIRED:** VA REQUIRES REDUCED-SIZE CONSTRUCTION DRAWINGS TO SAVE REPRODUCTION, MAILING AND STORAGE COSTS FOR ALL PARTIES INVOLVED. EXHIBITS TRADITIONALLY DRAWN AT ¼ INCH SCALE CAN BE PHOTOGRAPHICALLY REDUCED OR COMPUTER-DRAWN TO BE CLEARLY READABLE ON 8 ½ x 14 INCH SHEETS. ALL EXHIBITS MUST BE LEGIBLE.



[Code of Federal Regulations]  
[Title 24, Volume 2, Parts 200 to 499]  
[Revised as of April 1, 2000]  
From the U.S. Government Printing Office via GPO Access  
[CITE: 24CFR200.926d]

[Page 50-54]

TITLE 24--HOUSING AND URBAN DEVELOPMENT

PART 200--INTRODUCTION TO FHA PROGRAMS--Table of Contents

Subpart S--Minimum Property Standards

Sec. 200.926d Construction requirements.

(a) Application--(1) General. These standards cover the agency requirements for accessibility to physically handicapped people, variations to standards, real estate entity, trespass and utilities, site conditions, access, site design, streets, dedication of utilities, drainage and flood hazard exposure, special construction and product acceptance, thermal requirements, and water supply systems.

(2) Requirements for accessibility to physically handicapped people. The HUD Field Office will advise project sponsors as to the extent accessibility will be required for new construction of one- and two-family dwellings on a project-by-project basis.

(i) Technical standards. See HUD Handbook, 4910.1, Sections 100-1.3b and 100-1.3c.

(3) Variations to standards--(i) New materials and technologies. See paragraph (d) of this section. Alternatives, nonconventional or innovative methods and materials shall be equivalent to these standards in the areas of structural soundness, durability, economy of maintenance or operation and usability.

(ii) Variation procedures. Variations from the requirements of any standard with which the Department requires compliance shall be made in the following ways:

(A) For a particular design or construction method to be used on a single case or project, the decision is the responsibility of the Field Office. Headquarters concurrence is not required.

(B) Where a variation is intended to be on a repetitive basis, a recommendation for a Local Acceptable Standard, substantiating data, and background information shall be submitted by the Field Office to the Director, Office of Manufactured Housing and Regulatory Functions.

(iii) Variances which require individual analysis and decision in each instance are not considered as repetitive variances even though one particular standard is repeatedly the subject of variation. Such variances are covered by paragraph (a)(3)(ii)(A) of this section.

(b) General acceptability criteria--(1) Real estate entity. The property shall comprise a single plot except that a primary plot with a secondary plot for an appurtenant garage or for other use contributing to the marketability of the property will be acceptable provided the two plots are in such proximity as to comprise a readily marketable real estate entity.

(2) Service and facilities--(i) Trespass. Each living unit shall be one that can be used and maintained individually without trespass upon adjoining properties, except when the windowless wall of a detached dwelling is located on a side lot line. A detached dwelling may be located on a side lot line if:

(A) legal provision is made for permanent access for the maintenance of the exterior portion of the lot line wall, and

(B) the minimum distances from the dwelling to the dwellings on the abutting properties are not less than the sum of the side yard distances



computed as appropriate for the type of opposing walls. (minimum distance 10 ft).

(ii) Utilities. Utility services shall be independent for each living unit, except that common services such as water, sewer, gas and electricity may be provided for living units under a single mortgage or ownership. Separate utility service shut-off for each unit shall be provided. For living units under separate ownership, common utility services may be provided from the main to the building line when protected by an easement or covenant and maintenance agreement acceptable to HUD, but shall not pass over, under or through any other living unit. Individual utilities serving a living unit may not pass over, under or through

[[Page 51]]

another living unit under the same mortgage unless provision is made for repair and maintenance of utilities without trespass or when protected by an easement or covenant providing permanent access for maintenance and repair of the utilities. Building drain cleanouts shall be accessible from the exterior where a single drain line within the building serves more than one unit.

(3) Site conditions. (i) The property shall be free of those foreseeable hazards and adverse conditions which may affect the health and safety of occupants or the structural soundness of the improvements, or which may impair the customary use and enjoyment of the property. The hazards include toxic chemicals, radioactive materials, other pollution, hazardous activities, potential damage from soil or other differential ground movements, ground water, inadequate surface drainage, flood, erosion, or other hazards located on or off site. The site must meet the standards set forth in 24 CFR part 51, and HUD Handbook 4910.1, section 606 for termite and decay protection.

(ii) When special conditions exist or arise during construction which were unforeseen and which necessitate precautionary or hazard mitigation measures, the HUD Field Office shall require corrective work to mitigate potential adverse effects from the special conditions as necessary. Special conditions include rock formations, unstable soils or slopes, high ground water levels, springs, or other conditions which may adversely affect a property. It shall be the builder's responsibility to ensure proper design, construction and satisfactory performance where these conditions are present.

(4) Access. (i) Each property shall be provided with vehicular or pedestrian access by a public or private street. Private streets shall be protected by permanent easement.

(ii) Each living unit shall have a means of access such that it is unnecessary to pass through any other living unit.

(iii) The rear yard shall be accessible without passing through any other living unit.

(iv) For a townhouse type dwelling, access to the rear yard may be by means of alley, easement, passage through the dwelling, or other means acceptable to the HUD Field Office.

(c) Site design--(1) General. (i) A site design shall be provided which includes an arrangement of all site facilities necessary to create a safe, functional, healthful, durable and energy efficient living environment.

(ii) With the exception of paragraph (c)(4) of this section, these site design standards apply only in communities that have not adopted criteria for site development applicable to one and two family dwellings.

(iii) Single family detached houses situated on individual lots located on existing streets with utilities need not comply with the requirements of paragraphs (c)(2) and (c)(3) of this section.

(2) Streets. (i) Existing or proposed streets on the site shall connect to private or public streets and shall provide all-weather

access to all buildings for essential and emergency use, including access needed for deliveries, service, maintenance and fire equipment.

(ii) Streets shall be designed for dedication for public use and maintenance or, when approved by the HUD Field Office, may be retained as private streets where protected by permanent easements.

(3) Dedication. Utilities shall be located to permit dedication to the local government or appropriate public body.

(4) Drainage and flood hazard exposure--(i) Residential structures with basements located in FEMA-designated areas of special flood hazard. The elevation of the lowest floor in structures with basements shall be at or above the base flood level (100-year flood level) required for new construction or substantial improvement of residential structures under regulations for the National Flood Insurance Program (NFIP) (see 44 CFR 60.3 through 60.6), except where variances from this standard are granted by communities under the procedures of the Federal Emergency Management Agency (FEMA) at 44 CFR 60.6(a) or exceptions from this NFIP standard for basements are approved by FEMA in accordance with procedures at 44 CFR 60.6(c).

(ii) Residential structures without basements located in FEMA-designated areas of special flood hazard. The elevation of

[[Page 52]]

the lowest floor in structures without basements shall be at or above the FEMA-designated base flood elevation (100-year flood level).

(iii) Residential structures located in FEMA-designated ``coastal high hazard areas''. (A) Basements or any permanent enclosure of space below the lowest floor of a structure are prohibited.

(B) Where FEMA has determined the base flood level without establishing stillwater elevations, the bottom of the lowest structural member of the lowest floor (excluding pilings and columns) and its horizontal supports shall be at or above the base flood level.

(iv)(A) In all cases in which a Direct Endorsement (DE) mortgagee or a Lender Insurance (LI) mortgagee seek to insure a mortgage on a newly constructed one-to four-family dwelling (including a newly erected manufactured home) that was processed by the DE or LI mortgagee, the DE or LI mortgagee must determine whether the property improvements (dwelling and related structures/equipment essential to the value of the property and subject to flood damage) are located in a 100-year floodplain, as designated on maps of the Federal Emergency Management Agency. If so, the DE mortgagee, before submitting the application for insurance to HUD, or the LI mortgagee, before submitting all the required data regarding the mortgage to HUD, must obtain:

(1) A final Letter of Map Amendment (LOMA);

(2) A final Letter of Map Revision (LOMR); or

(3) A signed Elevation Certificate documenting that the lowest floor (including basement) of the property improvements is built at or above the 100-year flood elevation in compliance with National Flood Insurance program criteria 44 CFR 60.3 through 60.6.

(B) Under the DE program, these mortgages are not eligible for insurance unless the DE mortgagee submits the LOMA, LOMR, or Elevation Certificate to HUD with the mortgagee's request for endorsement.

(v) Streets. Streets must be usable during runoff equivalent to a 10-year return frequency. Where drainage outfall is inadequate to prevent runoff equivalent to a 10-year return frequency from ponding over 6 inches deep, streets must be made passable for commonly used emergency vehicles during runoff equivalent to a 25-year return frequency, except where an alternative access street not subject to such ponding is available.

(vi) Crawl spaces. Crawl spaces must not pond water or be subject to prolonged dampness.

(d) Special construction and product acceptance--(1) Structural features of factory produced (modular or panelized) housing or

components.

(i) For factory fabricated systems or components, HUD Handbook 4950.1, ``Technical Suitability of Products Program Technical and Processing Procedures'' shall apply.

(ii) The requirements of this part shall apply to structural features, consisting of factory fabricated systems or components assembled either at the factory or at the construction site, if the total construction is covered by these standards and can be inspected on-site for determination of compliance.

(2) Non-structural or non-standard features. These features include methods of construction, systems, sub-systems, components, materials and processes which are not covered by these requirements. See HUD Handbook 4950.1 for procedures to be followed in order to obtain acceptance of non-structural components or materials. See HUD Handbook 4910.1, appendix F for a list of Use of Materials Bulletins. Products and methods shall conform to the appropriate Use of Materials Bulletin.

(3) Standard Features. These features include methods of construction, systems, sub-systems, components, materials and processes which are covered by national society or industry standards. For a list of standards and practices to which compliance is required, see HUD Handbook 4910.1, Appendix C and Appendices E and F, available from HUD, 451 Seventh Street, SW., Attention: Mailroom B-133, Washington, DC 20410.

(e) Energy efficiency. All detached one- and two-family dwellings and one-family townhouses not more than three stories in height shall comply with the CABO Model Energy Code, 1992 Edition,

[[Page 53]]

Residential Buildings, except for Sections 101.3.1, 101.3.2, 104, and 105, but Section 101.3.2.2, Historic Buildings, shall remain, and including the Appendix, and HUD intermediate MPS Supplement 4930.2 Solar Heating and Domestic Hot Water Systems, 1989 edition.

(f) Water supply systems--(1) General. (i) Each living unit shall be provided with a continuing and sufficient supply of safe water under adequate pressure and of appropriate quality for all household uses. Newly constructed residential property for which a building permit has been applied for on or after June 19, 1988 from the competent authority with jurisdiction in this matter shall have lead-free water piping. For purposes of these standards, water piping is ``lead free'' if it uses solders and flux containing not more than 0.2 percent lead and pipes and pipe fittings containing not more than 8.0 percent lead. This system shall not impair the function or durability of the plumbing system or attachments.

(ii) The chemical and bacteriological standards of the local health authority shall apply. In the absence of such standards, those of the appropriate State agency shall apply. A water analysis may be required by either the health authority or the HUD Field Office.

(iii) Whenever feasible, connection shall be made to a public water system. When a public system is not available, connection shall be made to a community system which complies with HUD Handbook 4940.2, if feasible.

(2) Individual water systems. (i) The system should be capable of delivering a flow of 5 gpm over at least a 4 hour period.

(ii) The chemical and bacteriological standards of the local health authority shall apply. In the absence of such standards, those of the appropriate State agency shall apply. A water analysis may be required by either the health authority or the HUD Field Office.

(iii) After installation, the system shall be disinfected in accordance with the recommendations or requirements of the local health authority. In the absence of a health authority, system cleaning and disinfection shall conform to the current EPA Manual of Individual Water Supply Systems.

(iv) Bacteriological or chemical examination of a water sample collected by a representative of the local or state health authority shall be made when required by that authority or the HUD Field Office.

(3) Location of wells. (i) A well located within the foundation walls of a dwelling is not acceptable except in arctic or subarctic regions.

(ii) Water which comes from any soil formation which may be polluted, contaminated, fissured, creviced or less than 20 ft. below the natural ground surface is not acceptable, unless acceptable to the local health authority.

(iii) Individual water supply systems are not acceptable for individual lots in areas where chemical soil poisoning has been or is practiced if the overburden of soil between the ground surface and the water bearing strata is coarse grained sand, gravel, or porous rock, or is creviced in a manner which will permit the recharge water to carry the toxicants into the zone of saturation.

(iv) The following table shall be used in establishing the minimum acceptable distances between wells and sources of pollution located on either the same or adjoining lots. These distances may be increased by either the health authority having jurisdiction or the HUD Field Office.

Distance From Source of Pollution

Source of pollution	Minimum horizontal distance (feet)
Property Line.....	10
Septic Tank.....	50
Absorption Field.....	<SUP>1</SUP> 100
Seepage Pit.....	<SUP>1</SUP> 100
Absorption Bed.....	<SUP>1</SUP> 100
Sewer Lines w/Permanent Watertight Joints.....	10
Other Sewer Lines.....	50
Chemically Poisoned Soil.....	<SUP>3</SUP> 25
Dry Well.....	50
Other.....	(<SUP>2</SUP>)

<SUP>1</SUP> This clearance may be increased or decreased depending upon soil and rock penetrated by the well and aquifer conditions. The clearance may be increased in creviced limestone and permeable strata of gravel and sand. The clearance may be reduced to 50 ft. only where the ground surface is effectively separated from the water bearing formation by an extensive, continuous and impervious strata of clay, hardpan, or rock. The well shall be constructed so as to prevent the entrance of surface water and contaminants.

<SUP>2</SUP> The recommendations or requirements of the local health authority shall apply.

[[Page 54]]

<SUP>3</SUP> This clearance may be reduced to 15 feet only where the ground surface is effectively separated from the water bearing formation by an extensive, continuous and impervious strata of clay, hardpan, or rock.

(4) Well construction. (i) The well shall be constructed so as to allow the pump to be easily placed and to function properly.

(ii)(A) All drilled wells shall be provided with a sound, durable and watertight casing capable of sustaining the loads imposed.

(B) The casing shall extend from a point several feet below the water level at drawdown or from an impervious strata above the water

level to 12 in. above either the ground surface or the pump room floor. The casing shall be sealed at the upper opening to a depth of at least 15 feet.

(iii) Bored wells shall be lined with concrete, vitrified clay or equivalent materials.

(iv) The space between the casing or liner and the wall of the well hole shall be sealed with cement grout.

(v) The well casing shall not be used to convey water except under positive pressure. A separate drop pipe shall be used for the suction line.

(vi) When sand or silt is encountered in the water-bearing formation, the well shall either be compacted and gravel packed, or a removable strainer or screen shall be installed.

(vii) The surface of the ground above and around the well shall be compacted and graded to drain surface water away from the well.

(viii) Openings in the casing, cap, or concrete cover for the entrance of pipes, pumps or manholes shall be watertight.

(ix) If a breather is provided, it shall extend above the highest level to which surface water may rise. The breather shall be watertight, and the open end shall be screened and positioned to prevent entry of dust, insects and foreign objects.

(5) Pump and equipment. (i) Pumps shall be capable of delivering the volume of water required under normal operating pressure within the living unit. Pump capacity shall not exceed the output of the well.

(ii) Pumps and equipment shall be mounted to be free of objectionable noises, vibrations, flooding, pollution, and freezing.

(iii) Suction lines shall terminate below maximum drawdown of the water level in the well.

(iv) Horizontal segments of suction line shall be placed below the frost line in a sealed casing pipe or in at least 4 in. of concrete. The distance from suction line to sources of pollution shall be not less than shown in the table at paragraph (f)(3)(iv) of this section.

(6) Storage tanks. (i) A pressure tank having a minimum capacity of 42 gallons shall be provided. However, prepressured tanks and other pressurizing devices are acceptable provided that delivery between pump cycles equals or exceeds that of a 42 gallon tank.

(ii) Tanks shall be equipped with a clean-out plug at the lowest point, and a suitable pressure relief valve.

(Approved by the Office of Management and Budget under control number 2502-0474)

[50 FR 39594, Sept. 27, 1985, as amended at 53 FR 11271, Apr. 6, 1988; 56 FR 5350, Feb. 11, 1991; 57 FR 9609, Mar. 19, 1992; 57 FR 27927, June 23, 1992; 58 FR 41337, Aug. 3, 1993; 58 FR 60249, Nov. 15, 1993; 59 FR 19112, Apr. 21, 1994; 62 FR 30225, June 2, 1997; 64 FR 56110, Oct. 15, 1999]

[Code of Federal Regulations]  
[Title 24, Volume 2, Parts 200 to 499]  
[Revised as of April 1, 2000]  
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[Page 54-55]

TITLE 24--HOUSING AND URBAN DEVELOPMENT

PART 200--INTRODUCTION TO FHA PROGRAMS--Table of Contents

Subpart S--Minimum Property Standards

Sec. 200.926e Supplemental information for use with the CABO One and Two Family Dw

The following shall be used in Table No. R-202, Climatic and Geographic Design Criteria of the CABO One and Two Family Dwelling Code.

(a) Roof live loads.

Roof slope 3 in 12 or less: 20 psf

Roof slope over 3 in 12: 15 psf

Roof used as deck: 40 psf

(b) Roof snow load. The roof snow load shall be in accordance with section 7 of ASCE 7-88.

(c) Wind pressures. The minimum Design Wind Pressures (net pressures) set forth below apply to areas designated as experiencing basic wind speeds up to and including 80 mph, as shown in ASCE 7-88, Figure 1, Basic Wind Speed Map. These pressures also apply to buildings not over 30 ft. in height above finish grade, assuming exposure C or defined in ASCE 7-88.

(1) Minimum design wind pressure criteria. (i) Buildings (for overturning racking or sliding); p=20 psf.

(ii) Chimneys, p=30 psf.

[[Page 55]]

(iii) Exterior walls, p=15 psf inward or outward. Local pressure at corners of walls shall be not less than p=30 psf outward. These local pressures shall not be included with the design pressure when computing overall loads. The pressures shall be applied perpendicularly outward on strips of width equal to 10 percent of the least width of building.

(iv) Partitions, p=10 psf.

(v) Windows, p=20 psf inward or outward.

(vi) Roof, p=20 psf inward or outward.

Roofs with slopes greater than 6 in 12 shall be designed to withstand pressures acting inward normal to the surface, equal to the design wind pressure for exterior walls. Overhanging eaves, cornices, and ridges, 40 psf upward normal to roof surface. These local pressures shall not be included with the design pressure when computing overall loads. The pressures shall be applied perpendicularly outward on strips of width equal to 10 percent of the least width of building. Net uplift on horizontal projection of roof shall not be less than 12 psf.

(2) Severe wind design pressures. If the construction is higher than 30 ft., or if it is located in an area experiencing wind speeds greater than 80 mph, higher design wind pressures than shown above are required. Use Section 6 of ASCE 7-88 for higher criteria and for determining where wind speeds greater than 80 mph occur. Pressures are assumed to act horizontally on the gross area of the vertical projection of the structure except as noted for roof design.

(d) Seismic conditions shall be in accordance with Section 9 of ASCE 7-88.

(e) Subject to damage from: weathering. A jurisdiction's weathering region shall be as established by the map in ASTM C 62-83.

(f) Subject to damage from: frost line depth. Exterior wall footings or foundation walls including those of accessory buildings shall extend a minimum of 6 in. below the finished grade and, where applicable, the prevailing frost line.

(g) Subject to damage from: termites. ``Yes'' shall be used in locations designated as Regions I, II or III. ``No'' shall be used in locations designated as Region IV. The map for Termite Infestation Probability in appendix A of CABO, One and Two Family Dwelling Code shall be used to determine the jurisdiction's region.

(h) Subject to damage from: decay. ``Yes'' shall be used in locations designated as moderate to severe and slight to moderate. ``No'' shall be used in locations designated as none to slight. The Decay Probability map in appendix A of CABO, One and Two Family Dwelling Code shall be used to determine the jurisdiction's decay designation.

(Approved by the Office of Management and Budget under control number 2502-0338)

[50 FR 39599, Sept. 27, 1985, as amended at 59 FR 36695, July 19, 1994]

# BUILDER INSTRUCTIONS FOR PROCESSING VA LOANS

1. Builder Identification Number must be active (meaning you are currently an approved builder.) To verify, you or your lender can access <http://condopudbuilder.vba.va.gov> or contact our office at (254) 299-9634.
2. Your property can be appraised in two ways:
  - a. “New Construction”: if the property is fully complete or completed to customer preference stage (such as interior wall finishes, floor covering, appliances, fixtures and equipment, etc.) This is the most convenient way, as no plans and specifications are required.
  - b. “Proposed Construction”: at any time during construction. The appraisal is made based on plans and specifications you furnish the lender.
3. VA no longer requires planned unit developments (PUDs) to be approved. Condominiums must be VA-approved.
4. Ask your lender if they are an approved for the Lender Appraisal Processing Program (LAPP). They can process proposed and new construction loans faster for you!

## “NEW CONSTRUCTION” METHOD (CUSTOMER PREFERENCE STAGE)

1. Be sure the appraisal is not ordered until the home is complete, except for customer preference items. Otherwise, you will be required to pay an additional inspection fee to the appraiser.
2. There will be NO VA compliance inspections.
3. VA will accept either a one-year VA builder’s warranty or a HUD approved 10-year insured protection plan to the veteran in lieu of VA or HUD inspections during construction.
4. A termite inspection (veteran cannot pay this cost) is required prior to closing or the builder may furnish the NCPA-99a, Subterranean Termite Treatment Builder’s Certification.
5. At closing, the builder will be required to make two certifications:
  - a. Energy Efficient Construction-Builder’s certification which identifies this new dwelling and states that it was constructed to meet the energy conservation standards of the Council of American Building Officials (CABO) 1992 Model Energy Code (MEC).
  - b. Lead/Water Distribution System-Builder’s certification which identifies this new dwelling and states that the solders and flux used in construction did not contain more than .2 percent lead and that the pipes and pipe fittings used did not contain more than 8.0 percent lead.

**NOTE: VA acceptance of insured protection plan coverage in lieu of construction inspections is a privilege available only to builders who routinely provide good quality construction.**



## **PROPOSED CONSTRUCTION METHOD (NEED PLANS AND SPECS)**

1. The appraisal can be ordered at any time during construction. Give your lender two complete sets of the items listed on the attached VA Proposed Construction Checklist.
2. VA no longer requires that plans be certified by VA-approved plan certifiers (Change to Lender Handbook August 1, 2000.) See item 7 of the attached VA Proposed Construction Checklist.
3. VA requires reduced-size construction drawings to save reproduction, mailing and storage costs for all parties involved. Exhibits traditionally drawn at ¼ inch scale can be photographically reduced or computer-drawn to be clearly readable on 8 ½ X 14 inch sheets. All exhibits must be legible.
4. At closing, the builder will be required to make these certifications:
  - a. Wood-destroying insect information: The builder must furnish the NCPA-99a, Subterranean Termite Treatment Builder's Certification. If the builder indicates on the NCPA-99a that soil termiticide was the form of treatment used, he/she must also obtain the NCPA-99b from a licensed pest control company. These forms must be submitted to the lender prior to loan closing..
  - b. Warranty: If built with a 10-year insured protection plan, evidence of enrollment must be furnished at closing. In all cases, builder must furnish VA Form 26-1859, Warranty of Completion of Construction (form attached.)

Note: The certifications required for Model Energy Code and Lead/Water Distribution System were made with the appraisal request when you either certified the plans or furnished the HUD Form 92541.

5. Compliance Inspections: We will assign a compliance inspector to your lender when the appraisal request is made. Only a final inspection is required if:
  - a. the property is covered by a 10-year insured protection plan.

OR

- b. if VA can rely on local building authority inspections in lieu of first and second stage VA inspections. (This is applicable if the property is located in an area where the inspection procedures of the local building authority are acceptable to the Department of Housing and Urban Development (HUD) for loan insurance purposes.)

Note: Inspectors require a minimum of 48 hours notice to complete inspections.

6. Changes to Construction Exhibits: VA Form 26-1844 (see attached) must be used to request the change. If the property is not under contract, the change can be requested by the builder or lender who must certify that the property is not under contract to a veteran. If under contract, the veteran and builder must sign the form to request the change.

h/cv/builder instructions 8-00.doc

# VA PROPOSED CONSTRUCTION CHECKLIST

**TWO COMPLETE SETS** OF PROPOSED CONSTRUCTION EXHIBITS MUST INCLUDE:

1. **SPECIFICATIONS (DESCRIPTION OF MATERIALS):**
  - A. ON VA FORM 26-1852 OR SIMILAR FORMAT
  - B. SIGNED AND DATED BY BUILDER IN ALL CASES AND BY VETERAN IF UNDER CONTRACT
2. **PLOT PLAN** SHOWING ALL IMPROVEMENTS INCLUDING LOCATION OF THE WELL/SEPTIC SYSTEMS, IF APPLICABLE
3. **ALL EXTERIOR BUILDING ELEVATIONS**
4. **FOUNDATION OR BASEMENT PLAN**
5. **PLAN OF ALL FLOORS**
6. **SECTIONAL WALL DETAIL**
7. **PLAN CERTIFICATION:** VA WILL ACCEPT COMPLETED **HUD FORM 92541** IN LIEU OF BUILDER CERTIFICATION OF PLANS.

IF HUD FORM 92541 IS NOT INCLUDED, THE PLANS MUST BE CERTIFIED AS FOLLOWS BY A TECHNICALLY QUALIFIED AND PROPERLY IDENTIFIED INDIVIDUAL (SUCH AS BUILDER, ARCHITECT, ENGINEER, ETC.):

“I certify that the construction exhibits for (identification of the property by house type, lot, block, subdivision name, etc.) meet all local code requirements and are in substantial conformity with VA Minimum Property Requirements, including the energy conservation standards of the 1992 Council of American Building Officials’ Model Energy Code and the requirement for lead-free water piping.”

8. **BUILDER APPROVAL:** BUILDER MUST HAVE APPROVED VA IDENTIFICATION NUMBER
9. **REDUCED-SIZE EXHIBITS REQUIRED:** VA REQUIRES REDUCED-SIZE CONSTRUCTION DRAWINGS TO SAVE REPRODUCTION, MAILING AND STORAGE COSTS FOR ALL PARTIES INVOLVED. EXHIBITS TRADITIONALLY DRAWN AT ¼ INCH SCALE CAN BE PHOTOGRAPHICALLY REDUCED OR COMPUTER-DRAWN TO BE CLEARLY READABLE ON 8 ½ x 14 INCH SHEETS. ALL EXHIBITS MUST BE LEGIBLE.

262/223 h/cv/proposed construction checklist-rev 8-00.doc

# Builder's Certification of Plans, Specifications, & Site

U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0496 (exp.2/28/2000)

Property Address (street, city, State, & zip code)	Subdivision Name
Mortgagee's (Lender's) Name & Address (this is the lender who closed the loan)	FHA Case Number
	Phone Number

1. **Site Analysis Information:** To be completed on all proposed and newly constructed properties regardless of LTV ratio.

- a. **Flood Hazards.** Are the property improvements in a Special Flood Hazard Area (SFHA)? ☐ Yes ☐ No
- 1) Provide the community number and date of the Flood Insurance Rate Map (FIRM) used to document your answer. Community Number \_\_\_\_\_ Map Date \_\_\_\_\_
- 2) Is the community participating in the National Flood Insurance Program and in good standing? ☐ Yes ☐ No
- 3) If "Yes" to 1a. above, attach:
- (i) a Letter of Map Amendment (LOMA) or;
- (ii) a Letter of Map Revision (LOMR) or;
- (iii) a signed Elevation Certificate documenting that the lowest floor (including basement) is built in compliance with 24 CFR 200.926d(c)(4).
- b. **Noise.** Is the property located within 1000 feet of a highway, freeway, or heavily traveled road? ☐ Yes ☐ No
- Within 3000 feet of a railroad? ☐ Yes ☐ No
- Within one mile of a civil airfield or 5 miles of a military airfield? ☐ Yes ☐ No
- c. **Runway Clear Zones / Clear Zones.** Is the property within 3000 feet of a civil or military airfield? ☐ Yes ☐ No
- If "Yes," is the property in a Runway Clear Zone / Clear Zone? ☐ Yes ☐ No
- d. **Explosive /Flammable Materials Storage Hazard.** Does the property have an unobstructed view, or is it located within 2000 feet, of any facility handling or storing explosive or fire prone materials? ☐ Yes ☐ No
- e. **Toxic Waste Hazards.** Is property within 3000 feet of a dump or landfill, or a site on an EPA Superfund (NPL) list or equivalent State list? ☐ Yes ☐ No
- f. **Foreseeable Hazards or Adverse Conditions.**
- (1) Does the site have any rock formations, high ground water levels, inadequate surface drainage, springs, sinkholes, etc.? ☐ Yes ☐ No
- (2) Does the site have unstable soils (expansive, collapsible, or erodible)? ☐ Yes ☐ No
- (3) Does the site have any excessive slopes? ☐ Yes ☐ No
- (4) Does the site have any earth fill? ☐ Yes ☐ No
- If "Yes," will foundations, slabs, or flatwork rest on the fill? ☐ Yes ☐ No

If you marked "Yes" to any of the above questions in f, please attach a copy of the State licensed engineers' (soils and structural) reports, designs, and/or certifications showing compliance with HUD requirements to ensure the structural soundness of the improvements and the health and safety of the occupants. Refer to HUD Handbook 4145.1 and FHA Data Sheet 79g.

**Complete this section when seeking eligibility for Maximum Loan-to-Value Financing.** Items 2 and 3 must be checked.

2. ☐ HUD Minimum Property Standards in the Code of Federal Regulations at 24 CFR 200.926d.
3. ☐ HUD Handbook 4145.1, Architectural Processing & Inspections for Home Mortgage Insurance, including Appendix 8, Site Grading & Drainage Guideline.
4. ☐ Local/State Code ☐ Applicable Provisions
5. ☐ CABO One- and Two-Family Dwelling Code, as listed in 24 CFR 200.926b.
6. ☐ CABO 1992 Model Energy Code
7. ☐ Electrical Code for One- and Two-Family Dwellings, as listed in 24 CFR 200.926b. (current edition; NFPA 70A/1984).
8. ☐ This is a manufactured (mobile) home and was constructed in accordance with the Federal Manufactured Home Construction & Safety Standards (FMHCS). The label on the manufactured home shows compliance with the FMHCS. I hereby certify that the plans and specifications for all other construction (i.e., site, foundation) comply with the applicable building code or HUD requirement listed above, including para. 3-4, Handbook 4145.1, and the Permanent Foundations Guide for Manufactured Housing.

**Builder or Builder's Agent:** I hereby certify that the site analysis information above is true and accurate to the best of my knowledge and belief and that the plans and specifications were designed to mitigate any foreseeable hazards or adverse conditions. On all properties eligible for maximum LTV financing, I further certify that I have personally reviewed the plans, specifications, and site information submitted herewith. Based upon my review, I hereby certify that such plans, specifications comply with the applicable building code specified above as well as complying with the HUD construction requirements listed above. An "X" marked in the blank by each numbered item indicates that provisions from the marked code apply.

9 a. Name of Builder's Company or Builder's Agent (type or print)	10 a. Name & Title of Builder or Builder's Agent (type or print)
b. Street Address	b. Signature of Builder or Builder's Agent Date (mm/dd/yyyy)
c. City, State, & Zip Code	c. Telephone Number (include area code)

11. **Affirmative Fair Housing Marketing Plan (AFHMP)** Did you sell five (5) or more houses in the last twelve (12) months or do you intend to sell five (5) or more houses within the next twelve (12) months with HUD mortgage insurance?

☐ Yes ☐ No

If "Yes," check either a, b, or c below.

- a. ☐ I am a signatory in good standing to a Voluntary Affirmative Marketing Agreement (VAMA).  
b. ☐ I have an AFHMP which HUD approved on (mm/dd/yyyy) \_\_\_\_\_.  
c. ☐ I have a contract with \_\_\_\_\_ to market this house.

**Builder:** I hereby certify that the site analysis information is true and accurate to the best of my knowledge and belief. On all properties eligible for maximum LTV financing, I further certify that the plans and specifications submitted herewith have been reviewed by the individual signing above and that the individual has the knowledge and experience necessary to determine whether such plans and specifications comply with the HUD/FHA requirements set forth at 24 CFR 200.926d and with other applicable HUD requirements as determined in accordance with 24 CFR 200.926(d)(1) and (2). Any subsequent changes to these plans and specifications shall comply with the aforementioned requirements. Upon sale or conveyance of the property, the undersigned will promptly furnish to lender a Warranty of Completion of Construction, form HUD-92544 on all properties eligible for maximum LTV financing.

12 a. Name of Builder's Company (type or print)	13 a. Name & Title of Builder (type or print)	
b. Identification No		
c. Street Address	b. Signature of Builder	Date (mm/dd/yyyy)
d. City, State, & Zip Code	c. Telephone Number (include area code)	

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802). This form must be complete and legible and must be reproduced to include both sides of the document.

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

Executive Order 11988 and HUD environmental regulations (24 CFR Part 51) require builders who build newly constructed properties to ensure that the property is not affected by: flood hazards, noise, runway clear zones, explosive/flammable materials storage hazards, toxic waste hazards, and other foreseeable hazards that may affect the site. HUD requires this information to determine whether the site/location factors would adversely affect the dwelling or homeowner. A response is required whenever a builder builds new properties. Confidentiality is not applicable.

## Instructions for Builder's Certification, form HUD-92541

To obtain maximum loan to value financing (high ratio loan) for a new property, a builder must:

- Become a certified builder in accordance with HUD requirements and certify that the plans and specifications for the home meet HUD requirements prior to the beginning of construction; or
- Have the plans and specifications for the home approved by HUD prior to the start of construction; or
- Provide a HUD accepted ten year protection (warranty) plan.

If the property is eligible for maximum loan to value financing on the basis of a, b, or c above, then the builder must complete Items 1 - 12 on this form. The builder or its agent may complete Items 9 and 10.

If the builder does not meet the criteria listed above for maximum loan to value financing, then the loan to value financing will be limited to 90 percent (low ratio loan). For these cases, the builder must complete Items 1, 9 and 10 on this form. The builder, not the builder's agent, must complete Items 9 and 10.

**Item 1. Site Analysis:** All builders must answer all the questions in this item even when the improved area procedure is required. An addendum may be added, if necessary, to provide a full explanation about any of the site conditions listed.

- Flood Hazards:** HUD prohibits new construction in Special Flood Hazard Areas unless there is a Letter of Map Amendment (LOMA), a Letter of Map Revision (LOMR), or an Elevation Certificate in accordance with 24 CFR 200.926d(c)(4) provided to the lender.
- Noise:** Self-explanatory.
- Runway Clear Zones/Clear Zones:** If the property is located in a Runway Clear Zone / Clear Zone, the lender must require, as a condition of borrower approval, that the borrower will sign a statement acknowledging receipt of the notification required by 24 CFR 51.303(a)(3).
- Explosive/Flammable Materials Storage Hazard:** Self-explanatory.
- Toxic Waste Hazards:** Self-explanatory.
- Foreseeable Hazards or Adverse Conditions:** Self-explanatory.

**Items 2 - 8:** If the lender desires the property to be eligible for maximum financing (a high-ratio loan), the certified builder/certified builder's agent **must** complete these items as follows:

- 2. & 3.** Place an "X" in the box in Items 2 and 3. The certified builder must complete Items 4 thru 8 as follows:
- The local/State code in Item 4 is the HUD accepted code for a locality as identified by a mortgagee from a list provided by HUD.
  - A "fully accepted code" is indicated by placing a "X" in the first space, identifying the code in the second space and placing the word "All" after "Applicable Provisions."
  - A "partially acceptable code" is indicated by naming the unacceptable portion as shown in the example: "All except materials standards."

The additional requirements needed from the Table in 24 CFR 200.926c, to supplement a partially acceptable local code, must be shown in Item 4.

If a local code has been changed since last accepted by HUD, a builder is required to submit for HUD review, a copy of such changes to the Code. Include all applicable service codes, appendices, and a copy of the statute, ordinance, regulation or ordinance making such changes.

**5.** When the whole CABO Code is used as the HUD referenced code in jurisdictions with "no code" or an "unacceptable code," place an "X" in the box in Item 5 and place the word "All" in the space.

**6.** Place an "X" in the box on line 6, because builders must comply with this energy code.

**7.** Place an "X" in the box on line 7, because the Electrical Code for One and Two Family Dwellings, NFPA 70A/1984 is required in conjunction with the CABO Code.

**8.** If the dwelling is a manufactured (mobile) home, place an "X" in the box in Item 8. Properly complete lines 4 through 7 for all "foundation and site work."

**Items 9 & 10.** The builder or the builder's agent must complete and sign these items. If the builder's agent completes and signs these items the builder's agent is certifying that builder's agent has the knowledge and experience to determine whether the plans and specifications comply with HUD/FHA requirements set forth in 24 CFR 200.926d and with other applicable HUD requirements in 24 CFR 200.926(d)(1) and (2). The builder's agent is further certifying that the information about the site is accurate to builder's agent's best knowledge and belief.

**Item 11.** If a builder has sold or intends to sell five (5) or more newly constructed properties within a twelve (12) month period, the builder is required to have one of the following:

- Be in good standing to a Voluntary Affirmative Marketing Agreement (VAMA); or
- Have a HUD approved Affirmative Fair Housing Marketing Plan (AFHMP); or
- Have a contract with a Marketing Agent to implement its approved AFHMP; or a contract with a Marketing Agent with signatory to a National Association of Realtors VAMA.

To acquire HUD approval of its AFHMP, the builder must complete Form HUD 935.2 and submit it to the Fair Housing and Equal Opportunity (FHEO) Division of the nearest full-service HUD Office. The AFHMP must be approved by HUD before the builder begins to market its properties. Builders should contact the FHEO Division at their nearest full-service HUD Office for further details on becoming a signatory to a VAMA.

**Items 12 & 13.** The builder must complete and sign Items 12 and 13. The certification is self-explanatory. The builder must provide the Builder Certification Identification Number. All changes to the original form must be initialed and dated by the builder.

### Appraiser / Direct Endorsement Lender's Responsibility

**Fee Appraiser / Direct Endorsement Staff Appraiser.** The fee appraiser / DE staff appraiser must receive a fully executed form HUD-92541 before performing the appraisal on proposed or under construction properties or properties less than one year old.

The appraiser must review Item 1 and note in the Appraisal Report any discrepancies between the information in Item 1 and the actual conditions observed on site. The appraiser must take into consideration the effects of any site conditions on the value of the property.

**Direct Endorsement Underwriter.** The DE Underwriter must review the Appraisal Report and the Builder Certification as part of the underwriting process, taking into consideration the effect of any site conditions on the value of the property. Page 1 of this form must be complete and legible. Only the builder or the builder's agent is authorized to complete or change this form. The DE Underwriter cannot change and/or modify this certification form.

### MCRV/CRV Submissions

Form HUD-92541 is required on all newly constructed properties and must be in the HUD Case Binder on all conversions from VA.

## Description of Materials

**U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
DEPARTMENT OF VETERANS  
AFFAIRS  
FARMERS HOME ADMINISTRATION**

HUD's OMB APPROVAL NO. 2502-0192 (exp. 1/31/2001)  
and 2502-0313 (exp. 8/31/2001)

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

The National Housing Act (12 USC 1703) authorizes insuring financial institutions against default losses on single family mortgages. HUD must evaluate the acceptability and value of properties to be insured. The information collected here will be used to determine if

☐ Proposed Construction ☐ Under Construction

No. .... (To be inserted by HUD, VA

Name and address of Mortgagor or Sponsor

Name and address of Contractor or Builder

### Instructions

1. For additional information on how this form is to be submitted, number of copies, etc., see the instructions applicable to the HUD Application for Mortgage Insurance, VA Request for Determination of Reasonable Value, or FmHA Property Information and Appraisal Report, as the case may be.

2. Describe all materials and equipment to be used, whether or not shown on the drawings, by marking an X in each appropriate check-box and entering the information called for each space. If

3. Work not specifically described or shown will not be considered unless required, then the minimum acceptable will be assumed. Work exceeding minimum requirements cannot be considered unless specifically described.

4. Include no alternates, "or equal" phrases, or contradictory items. (Consideration of a request for acceptance of substitute materials or equipment is thereby precluded.)

5. Include signatures required at the end of this form.

6. The construction shall be completed in compliance with the related drawings and specifications, as amended during processing. The specifications include this Description of

### 1. Excavation

Bearing soil, type .....

### 2. Foundations

Footings concrete mix ..... strength psi ..... Reinforcing .....

Foundation wall material ..... Reinforcing .....

Interior foundation wall material ..... Party foundation wall .....

Columns material and sizes ..... Piers material and reinforcing .....

Girders material and sizes ..... Sills material .....

Basement entrance areaway ..... Windows areaways .....

Waterproofing ..... Footing drains .....

Termite protection .....

Basementless space ground cover..... insulation ..... foundation vents .....

Special foundations .....

Additional information

### 3. Chimneys

Material ..... Prefabricated (make and size) .....

Flue lining material ..... Heater flue size ..... Fireplace flue size .....

Vents (material and size) gas or oil heater ..... water heater.....

Additional information

### 4. Fireplaces

Type ☐ solid fuel ☐ gas burning ☐ circulator (make and size) ..... Ash dump and clean-out .....

Fireplace facing ..... lining ..... hearth ..... mantel .....

Additional information

5. Exterior Walls

Wood frame wood grade, and species ..... ☐ Corner bracing Building paper or felt .....

Sheathing ..... thickness ..... width ..... ☐ solid ☐ spaced ..... o.c. ☐ diagonal .....

Siding ..... grade ..... type ..... size ..... exposure ..... fastening .....

Shingles ..... grade ..... type ..... size ..... exposure ..... fastening .....

Stucco ..... thickness ..... Lath ..... weight ..... lb.

Masonry veneer ..... Sills ..... Lintels ..... Base flashing .....

Masonry ☐ solid ☐ faced ☐ stuccoed total wall thickness ..... facing thickness ..... facing material .....

Backup material ..... thickness ..... bonding .....

Door sills ..... Window sills ..... Lintels ..... Base flashing .....

Interior surfaces dampproofing, ..... coats of ..... furring .....

Additional information

Exterior painting material

Gable wall construction ☐ same as main walls ☐ other construction .....

6. Floor Framing

Joists wood, grade, and species ..... other ..... bridging ..... anchors .....

Concrete slab ☐ basement floor ☐ first floor ☐ ground supported ☐ self-supporting mix ..... thickness .....

reinforcing ..... insulation ..... membrane .....

Fill under slab material ..... thickness .....

Additional information

7. Subflooring (Describe underflooring for special floors under Item 21)

Material grade and species ..... size ..... type .....

Laid ☐ first floor ☐ second floor ☐ attic ..... sq. ft. ☐ diagonal ☐ right angles

Additional information

8. Finish Flooring (Wood only. Describe underflooring for special floors under Item 21)

Location	Rooms	Grade	Species	Thickness	Width	Bldg. Paper	Finish
First floor							
Second floor							
Attic floor	sq. ft.						

Additional information

9. Partition Framing

Studs wood, grade, and species ..... size and spacing ..... Other .....

Additional information

10. Ceiling Framing

Joists wood, grade, and species ..... Other ..... Bridging .....

11. Roof Framing

Rafters wood, grade, and species ..... Roof trusses (see detail) grade and species .....

Additional information

12. Roofing

Sheathing wood, grade, and species ..... ☐ solid ☐ spaced ..... o.c.

Roofing ..... grade ..... size ..... type .....

Underlay ..... weight or thickness ..... size ..... fastening .....

Built-up roofing ..... number of plies ..... surfacing material .....

Flashing material ..... gage or weight ..... ☐ gravel stops ☐ snow guards

Additional information



**13. Gutters and Downspouts**

Gutters material ..... gage or weight ..... size ..... shape .....  
Downspouts material ..... gage or weight ..... size ..... shape ..... number .....  
Downspouts connected to ☐ Storm sewer ☐ sanitary sewer ☐ dry-well ☐ Splash blocks material and size .....  
Additional information

**14. Lath and Plaster**

Lath ☐ walls ☐ ceilings material ..... weight or thickness ..... Plaster coats ..... finish .....  
Dry-wall ☐ walls ☐ ceilings material ..... thickness ..... finish .....  
Joint treatment

**15. Decorating (Paint, wallpaper, etc**

Rooms	Wall Finish Material and Application	Ceiling Finish Material and Application
Kitchen		
Bath		
Other		

Additional information

**16. Interior Doors and Trim**

Doors type ..... material ..... thickness .....  
Door trim type ..... material ..... Base type ..... material ..... size .....  
Finish doors ..... trim .....  
Other trim (item, type and location) .....  
Additional information

**17. Windows**

Windows type ..... make ..... material ..... sash thickness .....  
Glass grade ..... ☐ sash weights ☐ balances, type ..... head flashing .....  
Trim type ..... material ..... Paint ..... number coats .....  
Weather-stripping type ..... material ..... Storm sash, number .....  
Screens ☐ full ☐ half type ..... number ..... screen cloth material .....  
Basement windows type ..... material ..... screens, number ..... Storm sash, number .....  
Special windows .....  
Additional information

**18. Entrances and Exterior Detail**

Main entrance door material ..... width ..... thickness ..... Frame material ..... thickness .....  
Other entrance doors material ..... width ..... thickness ..... Frame material ..... thickness .....  
Head flashing ..... Weatherstripping type ..... saddles .....  
Screen doors thickness ..... number ..... screen cloth material ..... Storm doors thickness ..... number .....  
Combination storm and screen doors thickness ..... number ..... screen cloth material .....  
Shutters ☐ hinged ☐ fixed Railings ..... Attic louvers .....  
Exterior millwork grade and species ..... Paint ..... number coats .....  
Additional information

**19. Cabinets and Interior Detail**

Kitchen cabinets, wall units material ..... lineal feet of shelves ..... shelf width .....  
Base units material ..... counter top ..... edging .....  
Back and end splash ..... Finish of cabinets ..... number coats .....  
Medicine cabinets make ..... model .....  
Other cabinets and built -in furniture .....  
Additional information



**20. Stairs**

Stair	Treads		Risers		Strings		Handrail		Balusters	
	Material	Thickness	Material	Thickness	Material	Size	Material	Size	Material	Size
Basement										
Main										
Attic										

Disappearing make and model number .....

Additional information

**21. Special Floors and Wainscot (Describe Carpet as listed in Certified Products Directory)**

Floors	Location	Material, Color, Border, Sizes, Gage, Etc.	Threshold Material	Wall Base Material	Underfloor Material
	Kitchen				
	Bath				
Wainscot	Location	Material, Color, Border, Sizes, Gage, Etc.	Height	Height Over Tub	Height in Showers (From Floor)
	Bath				

Additional information

**22. Plumbing**

Fixture	Number	Location	Make	MFR's Fixture Identification No.	Size	Color
Sink						
Lavatory						
Water closet						
Bathtub						
Shower over tub						
Stall shower						
Laundry trays						

Bathroom accessories ☐ Recessed material ..... number ..... ☐ Attached material .....number .....

Additional information

☐ Curtain rod ☐ Door ☐ Shower pan material .....\*(Show and describe individual system in complete detail in separate drawings and specifications according to requirements.)  
 Water supply ☐ public ☐ community system ☐ individual (private) system\*  
 Sewage disposal ☐ public ☐ community system ☐ individual (private) system\*  
 House drain (inside) ☐ cast iron ☐ tile ☐ other ..... House sewer (outside) ☐ cast iron ☐ tile ☐ other .....  
 Water piping ☐ galvanized steel ☐ copper tubing ☐ other ..... Sill cocks, number .....  
 Domestic water heater type ..... make and model ..... heating capacity ..... gph. 100 ° rise.  
 Storage tank material ..... capacity ..... gallons  
 Gas service ☐ utility company ☐ liq. pet. gas ☐ other ..... ☐ Gas piping ☐ cooking ☐ house heating  
 Footing drains connected to ☐ storm sewer ☐ sanitary sewer ☐ dry well ☐ Sump pump make and model .....  
 capacity ..... discharges into .....

Additional information

## 23. Heating

☐ Hot Water    ☐ Steam    ☐ Vapor    ☐ One-pipe system    ☐ Two-pipe system  
☐ Radiators    ☐ Convectors    ☐ Baseboard radiation    Make and model .....  
☐ Radiant panel    ☐ floor    ☐ wall    ☐ ceiling    Panel coil material.....  
☐ Circulator    ☐ Return pump make and model ..... capacity..... gpm.  
 Boiler make and model ..... Output..... Btuh. net rating ..... Btuh.  
 Additional information

Warm air ☐ Gravity ☐ Forced Type of system .....  
 Duct material supply ..... return ..... Insulation ..... thickness ..... ☐ Outside air intake  
 Furnace: make and model ..... Input ..... Btuh. output ..... Btuh.  
 Additional information .....

☐ Space heater    ☐ floor furnace    ☐ wall heater input ..... Btuh. output ..... Btuh. number units .....  
 Make, model .....  
 Additional information .....

Controls make and types  
Additional information

Fuel: ☐ Coal ☐ oil ☐ gas ☐ liq. pet. gas ☐ electric other ..... storage capacity .....

Additional information .....

Firing equipment furnished separately ☐ Gas burner, conversion type ☐ Stoker hopper feed ☐ bin feed  
 Oil burner ☐ pressure atomizing ☐ vaporizing .....  
 Make and model .....

Control .....  
 Additional information

Electric heating system type ..... Input.....watts @ ..... volts output .....Btuh.  
Additional information

Ventilating equipment ☐ attic fan, make and model ..... capacity .....cfm.  
☐ kitchen exhaust fan, make and model .....  
 Other heating, ventilating, or cooling equipment .....  
 Additional information .....

## 24. Electric Wiring

Service ☐ overhead ☐ underground Panel ☐ fuse box ☐ circuit-breaker make ..... AMP's ..... No. circuits .....

Wiring ☐ conduit ☐ armored cable ☐ nonmetallic cable ☐ knob and tube ☐ other .....

Special outlets ☐ range ☐ water heater ☐ other .....

Doorbell ☐ Chimes ☐ Push-button locations .....

Additional information .....

## 25. Lighting Fixtures

Total number of fixtures .....Total allowance for fixtures, typical installation, \$ .....

Nontypical installation .....

Additional information .....

**26. Insulation**

Location	Thickness	Material, Type, and Method of Installation	Vapor Barrier
Roof			
Ceiling			
Wall			
Floor			

**27. Miscellaneous:** (Describe any main dwelling materials, equipment, or construction items not shown elsewhere; or use to provide additional information where the space provided was inadequate. Always reference by item number to correspond to numbering used on this form.)

**Hardware** (make, material, and finish)

**Special Equipment** (State material or make, model and quantity. Include only equipment and appliances which are acceptable by local law, custom and applicable FHA standards. Do not include items which, by established custom, are supplied by occupant and removed when he vacates premises or chattels prohibited by law from becoming realty.)

**Porches**

**Terraces**

**Garages**

**Walks and Driveways**

Driveway width..... base material .....thickness .....surfacing material .....thickness .....  
Front walk width..... material..... thickness .....Service walk width .....material .....thickness .....  
Steps material ..... treads ..... risers ..... Cheek walls .....

**Other Onsite Improvements**

(Specify all exterior onsite improvements not described elsewhere, including items such as unusual grading, drainage structures, retaining walls, fence, railings, and accessory structures.)

**Landscaping, Planting, and Finish Grading**

Topsoil..... thick ☐ front yard ☐ side yards ☐ rear yard to .....feet behind main building  
Lawns (seeded, sodded, or sprigged) ☐ front yard .....☐ side yards ..... ☐ rear yard .....  
Planting ☐ as specified and shown on drawings ☐ as follows:  
..... Shade trees deciduous ..... caliper ..... Evergreen trees ..... to ..... B&B .....  
..... Low flowering trees deciduous .....to ..... Evergreen shrubs ..... to ..... B&B .....  
..... High-growing shrubs deciduous .....to ..... Vines, 2-year .....  
..... Medium-growing shrubs deciduous .....to ..... Other .....  
..... Low-growing shrubs deciduous .....to .....

**Identification** - This exhibit shall be identified by the signature of the builder, or sponsor, and/or the proposed mortgagor if the latter is known at the time of application.

Date (mm/dd/yyyy) ..... Signature  
Signature

# Warranty of Completion of Construction

U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

OMB Approval No. 2502-0059  
(exp.7/31/2000)

This information is required to obtain a HUD-insured single family mortgage. Public reporting burden for this collection of information is estimated to average 3 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and you are not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Lender's Name, Address and Phone Number (Include Area Code)	Name(s) of Purchaser/Owner
FHA/VA Case Number	Property Address

For good and valuable consideration, and in accordance with Section 801 of the Housing Act of 1954, and Public Law 85-857 (38 U.S.C. 3705), the undersigned Warrantor hereby warrants to the Purchaser(s) or Owner(s) identified in the caption hereof, and to his/her successors or transferees, that:

The dwelling located on the property identified in the caption hereof is constructed in substantial conformity with the plans and specifications (including any amendments thereof, or changes and variations therein) which have been approved in writing by the Federal Housing Commissioner or the Secretary of Veterans Affairs on which the Federal Housing Commissioner or the Secretary of Veterans Affairs based the valuation of the dwelling: **Provided, however,** That this warranty shall apply only to such instances of substantial nonconformity as to which the Purchaser(s)/ Owner(s) or his/her (their) successors or transferees shall have given written notice to the Warrantor at any time or times within one year from the date of original conveyance of title to such Purchaser(s)/Owner(s) or the date of initial occupancy, whichever first occurs: **Provided further, however,** That in the event (1) the Purchaser(s)/Owner(s) acquired title to the captioned property prior to the completion of construction of the dwelling thereon, such notice of nonconformity to the Warrantor may be given any time or times within one year from the date of completion or initial occupancy of such dwelling, whichever first occurs, or (2) where it has been necessary to postpone improvements such notice of nonconformity to the Warrantor as to such incomplete items may be given at any time or times within one year from the date of full completion of each of such items.

The term "dwelling" as used herein shall be deemed to include all improvements or appurtenances set forth in the plans and specifications upon which the Federal Housing Commissioner or the Secretary of Veterans Affairs has based the valuation of the property, excepting those constructed by a municipality or other government authority.

The undersigned Warrantor further warrants to the Purchaser(s)/ Owner(s) or his/her (their) successors or transferees, the property against defects in equipment, material, or workmanship and materials supplied or performed by the Warrantor or any subcontractor or supplier at any tier resulting in noncompliance with standards of quality as measured by acceptable trade practices. This warranty shall continue for a period of one year from the date of original conveyance of title to such Purchaser(s) or from the date of full completion of each of any items completed after conveyance of title. The Warrantor shall remedy, at the Warrantor's expense, any defect(s) of equipment, material, or workmanship furnished by the Warrantor. Warrantor shall restore any work damaged in fulfilling the terms and conditions of this warranty.

If a manufactured (mobile) home was erected on this property, the Warrantor further warrants that (1) the property (other than the manufactured unit itself) complies with the submitted construction exhibits; (2) the manufactured home sustained no hidden damage during transportation and erection; and (3) if the home was manufactured in separate sections, the sections were properly joined and sealed.

Manufacturer's Name, Address & Phone Number (Include Area Code)

This warranty shall be in addition to, and not in derogation of, all other rights and privileges which such Purchaser(s)/ Owner(s) or his/her (their) successors or transferees may have under any other law or instrument, and shall survive the conveyance of title, delivery of possession of the property, or other final settlement made by the Purchaser(s)/ Owner(s), and shall be binding on the Warrantor notwithstanding any provision to the contrary contained in the contract of purchase or other writing executed by the Purchaser(s)/ Owner(s) or his/her (their) successors or transferees heretofore or contemporaneously with the execution of this agreement or prior to final settlement.

This warranty is executed for the purpose of inducing the Federal Housing Commissioner or the Secretary of Veterans Affairs to make, to guarantee or to insure a mortgage on the captioned property, and the person signing for the Warrantor represents and certifies that he/she is authorized to execute the same by the warrantor and by his/her signature the Warrantor is duly bound under the terms and conditions of said warranty. The FHA Commissioner or the Secretary of Veterans' Affairs reserves the right to make a final determination as to whether a defect exists and whether the builder must remedy the defect.

<b>Warrantor</b> Warrantor's Title		<b>Purchaser(s)' Acknowledgement</b> Signature of Purchaser		Date (mm/dd/yyyy)
Signature	Date (mm/dd/yyyy)	Signature of Purchaser	Date (mm/dd/yyyy)	
Builder's Name and Address		Builder's Phone Number (Include Area Code)		

**Purchaser Note:** Any notice of nonconformity must be delivered to the warrantor within the period or periods set forth above.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802) Provide completed copies of this warranty to both the homebuyer and the builder, at closing. Include a copy of this warranty in the case binder when sent to HUD.